

PAGES.	PAGES.
THURSDAY, 2ND MARCH, 1933—	WEDNESDAY, 8TH MARCH, 1933—
Questions and Answers .. 1445—59	Questions and Answers .. 1721—35
Unstarred Questions and Answers 1459—64	Unstarred Questions and Answers 1735—49
General Discussion of the General Budget .. 1464—1509	Message from H. E. the Viceroy and Governor General .. 1750
FRIDAY, 3RD MARCH, 1933—	Expressions of regret at the Resignation of the Honourable Sir Ibrahim Rahimtoola 1750—54
Questions and Answers .. 1511—27	Election of the President 1754
Statement of Business .. 1527	The General Budget—List of Demands— <i>concl'd.</i> .. 1754—1805
General Discussion of the General Budget— <i>concl'd.</i> .. 1527—77	Demand No. 39.—Army Department— <i>concl'd.</i> .. 1754—88
MONDAY, 6TH MARCH, 1933—	Military Expenditure 1754—88
Questions and Answers .. 1579—89	Demand No. 31.—Foreign and Political Department— 1788—1805
Message from His Excellency the Governor General—Extension of the Term of the Legislative Assembly .. 1589	Retrenchment of Expenditure controlled by the Foreign and Political Department and Indianisation 1788—1805
The General Budget—List of Demands .. 1590—1644	THURSDAY, 9TH MARCH, 1933—
Demand No. 16.—Customs — 1592—1615	The General Budget—List of Demands— <i>concl'd.</i> .. 1807—61
Dumping of Goods into India by Countries with Depreciated Currencies .. 1592—1615	Demand No. 86.—Expenditure in England—Secretary of State for India— .. 1807—32
Demand No. 17.—Taxes on Income— .. 1615—44	Safeguarding the Interests of Agriculturists and Landholders in the matter of Representation and Taxation in the New Constitution 1807—32
Removal of Surcharge and Restoration of old Exemption of Taxable Minimum 1615—44	Demand No. 40.—Department of Industries and Labour— 1832—62
TUESDAY, 7TH MARCH, 1933—	Labour Legislation and Labour Welfare including Government Employees .. 1832—62
Questions and Answers .. 1645—66	FRIDAY, 10TH MARCH, 1933—
The General Budget—List of Demands— <i>concl'd.</i> .. 1666—1715	Statement of Business .. 1863
Demand No. 28.—Executive Council— .. 1666—87	The General Budget—List of Demands— <i>concl'd.</i> .. 1863—1932
Retrenchment and Indianisation of Services and Reduction of Pay for Future Entrants .. 1667—87	Demand No. 18.—Salt .. 1863—65
Demand No. 39.—Army Department— .. 1687—1715	Undesirability of the continuance of the Salt Tax 1864—65
Indianisation of the Indian Army .. 1687—1715	Demand No. 19.—Opium .. 1865
Appendix .. 1717—19	Demand No. 19A.—Excise .. 1866
	Demand No. 20.—Stamps .. 1866
	Demand No. 21.—Forest .. 1866

PAGES.	PAGES.
FRIDAY, 10TH MARCH, 1933—<i>cont'd.</i>	FRIDAY, 10TH MARCH, 1933—<i>cont'd.</i>
The General Budget—List of Demands— <i>concl'd.</i>	The General Budget—List of Demands— <i>concl'd.</i>
Demand No. 22.—Irrigation (including Working Expenses), Navigation, Embankment and Drainage Works .. 1866	Demand No. 42.—Payments to Provincial Governments on account of Administration of Agency subjects .. 1920
Demand No. 23.—Indian Posts and Telegraphs Department (including Working Expenses) 1866—99	Demand No. 43.—Audit .. 1920
Position of the Posts and Telegraphs Department in Bengal and Assam Circle 1867—73	Demand No. 44.—Administration of Justice .. 1921
Grant of Special Allowance to the postal subordinates employed in the Wynad-Malabar .. 1873—76	Demand No. 45.—Police .. 1921
Policy of the Indian Posts and Telegraphs Department 1876—95	Demand No. 46.—Ports and Pilotage .. 1921
Equitable Apportionment of Revenue between Postal and Telegraph Branches 1895—96	Demand No. 47.—Lighthouses and Lightships .. 1921
Grievances of Ex-Approved Candidates in the Calcutta General Post Office 1896—99	Demand No. 48.—Survey of India .. 1921
Demand No. 25.—Interest on Debt and Reduction or Avoidance of Debt 1899—1900, 1901—03	Demand No. 49.—Meteorology .. 1922
Demand No. 26.—Interest on Miscellaneous Obligations .. 1900	Demand No. 50.—Geological Survey .. 1922
Demand No. 27.—Staff, Household and Allowances of the Governor General .. 1900	Demand No. 51.—Botanical Survey .. 1922
Demand No. 29.—Council of State 1900	Demand No. 52.—Zoological Survey .. 1922
Demand No. 30.—Legislative Assembly and Legislative Assembly Department .. 1904	Demand No. 53.—Archæology .. 1922
Demand No. 32.—Home Department .. 1904—19	Demand No. 54.—Mines .. 1923
Classification of Political Prisoners .. 1904—19	Demand No. 55.—Other Scientific Departments .. 1923
Demand No. 33.—Public Service Commission .. 1919	Demand No. 56.—Education .. 1923
Demand No. 34.—Legislative Department— .. 1919	Demand No. 57.—Medical Services 1923
Demand No. 35.—Department of Education, Health and Lands 1919	Demand No. 58.—Public Health 1923
Demand No. 36.—Finance Department .. 1920	Demand No. 59.—Agriculture .. 1924
Demand No. 38.—Commerce Department .. 1920	Demand No. 60.—Imperial Council of Agricultural Research Department .. 1924
Demand No. 41.—Central Board of Revenue .. 1920	Demand No. 61.—Civil Veterinary Services .. 1924
	Demand No. 62.—Industries .. 1924
	Demand No. 63.—Aviation .. 1924
	Demand No. 64.—Commercial Intelligence and Statistics .. 1925
	Demand No. 65.—Census .. 1925
	Demand No. 66.—Emigration—Internal .. 1925
	Demand No. 67.—Emigration—External .. 1925
	Demand No. 68.—Joint Stock Companies .. 1925
	Demand No. 69.—Miscellaneous Departments .. 1926

CONTENTS

VOLUME II.—23rd February to 10th March, 1933.

	PAGES.		PAGES.
THURSDAY, 23RD FEBRUARY, 1933—		SATURDAY, 25TH FEBRUARY, 1933—<i>contd.</i>	
Questions and Answers ..	977—97	Demand No. 11—Miscellaneous Expenditure ..	1206
The Indian Wireless Telegraphy Bill—Presentation of the Report of the Select Committee ..	997	Demand No. 14—Interest Charges ..	1206
Statement of Business ..	997	Demand No. 7—New Construction ..	1207
The Railway Budget—List of Demands— <i>contd.</i> ..	998—1049	Demand No. 8—Open Line Works ..	1207
Demand No. 1—Railway Board— <i>contd.</i> ..	998—1049	Demand No. 10—Appropriation from Depreciation Fund ..	1207
General Policy and Administration of the Railway Board ..	998—1049	MONDAY, 27TH FEBRUARY, 1933—	
FRIDAY, 24TH FEBRUARY, 1933—		Members Sworn ..	1209
The Railway Budget—List of Demands— <i>contd.</i> ..	1051—95	Questions and Answers ..	1209—49
Demand No. 1—Railway Board— <i>contd.</i> ..	1051—95	Motion for Adjournment <i>re</i> Ban on the holding of the Indian National Congress in Calcutta—Leave refused ..	1250—52
Reduction in the number of Members of the Railway Board and in the pay of the Superior Officers of the Railway Board ..	1051—80	Statement laid on the Table ..	1252—55
Retrenchment in the Railway Board ..	1080—85	The Code of Criminal Procedure (Amendment) Bill—Consideration postponed ..	1255—60
Directors and Deputy Directors ..	1085—93	The Special Marriage (Amendment) Repealing Bill—Motion to consider negatived ..	1260—83
Paucity of Muslims in the Railway Services ..	1093—95	The Child Marriage Restraint (Amendment) Bill—Discussion not concluded ..	1284—1300
SATURDAY, 25TH FEBRUARY, 1933—		TUESDAY, 28TH FEBRUARY, 1933—	
Questions and Answers ..	1097—1137	Statements laid on the Table ..	1301—02
Unstarred Questions and Answers ..	1137—58	Demands for Supplementary Grants in respect of Railways ..	1302—40
Statement <i>re</i> Voters' Lists of the Central and Provincial Legislatures ..	1158	Presentation of the General Budget for 1933-34 ..	1341—80
The Railway Budget—List of Demands— <i>contd.</i> ..	1159—1207	The Indian Finance Bill—Introduced ..	1380
Demand No. 1—Railway Board— <i>contd.</i> ..	1159—1205	WEDNESDAY, 1ST MARCH, 1933—	
Paucity of Muslims in the Railway Services— <i>contd.</i> ..	1159—1205	Short Notice Questions and Answers ..	1381—95
Demand No. 2—Inspection ..	1205	Resolution <i>re</i> Release of Mr. Gandhi, Mufti Kifaetullah and other Political Prisoners—Consideration postponed ..	1396—1406
Demand No. 3—Audit ..	1205	Resolution <i>re</i> Debentures of the Central Land Mortgage Bank of Madras—Withdrawn ..	1407—21
Demand No. 4—Working Expenses : Administration ..	1205	Resolution <i>re</i> Indian Film Industry—Withdrawn ..	1421—43
Demand No. 5—Working Expenses : Repairs and Maintenance and Operation ..	1206		
Demand No. 6.—Companies' and Indian States' Share of Surplus Profits and Net Earnings ..	1203		
Demand No. 9—Appropriation to Depreciation Fund ..	1206		

Sir Thomas Ryan: A recommendation from the Postmaster-General, Punjab and North-West Frontier Circle, regarding the refund of rent recovered from the postal officials occupying Postal and Telegraph departmental quarters at New Delhi, for water meters and electric meters has recently been received and orders in the matter are being issued to the effect that refunds will be granted to those officials from whom double recovery of electric and water meters rent has been made.

TRANSFER OF THE CLERKS OF THE OFFICES OF THE SUPERINTENDENTS OF POST OFFICES.

443. *Mr. M. Maswood Ahmad (on behalf of Mr. Muhammad Anwar-ul-Azim): (a) With reference to starred question No. 1497, dated the 28th November, 1932, will Government please state whether according to the orders of the Director General, Posts and Telegraphs, time-scale clerks (other than Selection Grade Head Clerks) of the offices of Superintendents of Post Offices are transferred after a tenure of office for five years?

(b) If the reply to (a) above be in the affirmative, will Government please state the correct information now?

The Honourable Sir Frank Noyce: (a) and (b). As already stated in the reply to the question to which the Honourable Member refers, no such definite orders were issued by the Director General. It has, however, been suggested by him to Heads of Circles that the desirability of the periodical transfer of the members of the clerical staff of the offices of Superintendents of Post Offices might be borne in mind.

NOMINATION OF CANDIDATES FROM THE UNITED PROVINCES FOR THE EXAMINATION OF THE SUPERINTENDENTS OF POST OFFICES.

444. *Mr. M. Maswood Ahmad (on behalf of Mr. Muhammad Anwar-ul-Azim): (a) With reference to the reply to part (c) of starred question No. 1416, dated the 23rd November, 1932, will Government please state the total number of candidates nominated for the examination of Superintendents of Post Offices to meet the requirements of the service in the United Provinces Circle from 1926 to 1932?

(b) Will Government please state the communal composition of the candidates so nominated?

(c) Are Government prepared to nominate at least five Muslim candidates for the next Superintendents' examination from the United Provinces Circle? Is it a fact that there is only one Muslim Superintendent against twelve Hindu Superintendents in the said Circle?

The Honourable Sir Frank Noyce: (a) and (b). Superintendents of Post Offices and the Railway Mail Service belong to an all-India cadre and nominations of candidates for examination for entrance to it are not made to meet the requirements of any particular postal circle but in order to fill vacancies in the cadre as a whole. Nine candidates were nominated by the Postmaster-General, United Provinces, during the period referred to by the Honourable Member; of these five were Muslims and four Hindus.

(c) In regard to the first part, the Honourable Member's attention is invited to the reply given to part (c) of the starred question No. 1493 by Mr. M. Maswood Ahmad on the 28th November, 1932. As regards the

second part, there are 18 Superintendents in the Circle including three Assistant Postmasters-General; of these, 13 are Hindus, three are Anglo-Indians and two are Muslims.

MUSLIM DEMANDS IN GOVERNMENT SERVICES.

445. *Mr. M. Maswood Ahmad (on behalf of Mr. Muhammad Anwar-ul-Azim): (a) Has the attention of Government been drawn to a "memorandum of Muslim demands in Government services" issued by some Members of the Legislative Assembly and Council of State?

(b) Will Government be pleased to state whether copies of the said memorandum were obtained by the Home Department from Sir Muhammad Yaqub through Seth Haji Abdoola Haroon?

(c) Are Government aware that copies of the said memorandum were forwarded by me to all the Heads of Government?

(d) Will Government be pleased to state whether the tabular statements attached to the memorandum relating to the Posts and Telegraphs Department are correct and, if not, will Government be pleased to lay on the table the correct and revised figures as they stood on the 31st December, 1932, in respect of each of the statements?

(e) Are Government aware that their orders were not observed in the past on the plea of late circulation, ambiguities, etc., etc., as alleged in the memorandum and proved by statistics?

(f) Are Government prepared to appoint an Enquiry Committee in respect of the Posts and Telegraphs Department just as they were pleased to do in the case of the Railway Department with a view to finding ways and means for increased and proper representation of Muslims in the Posts and Telegraphs Department?

The Honourable Sir Frank Noyce: (a) Yes.

(b) and (c). I understand that the fact is as stated.

(d) Government have not verified the figures in the tabular statements referred to, and do not propose to do so as even if the figures are correct they are misleading as implying that Government orders regarding communal recruitment apply to all the numerous branches mentioned in the statements, whereas they apply in fact only to such posts as are filled by direct recruitment and not to those filled by promotion. The Honourable Member will find in the Annual Reports on the Indian Posts and Telegraphs Department summaries showing the extent to which members of different communities are represented in the new recruitment to the Posts and Telegraphs service year by year. If the Honourable Member will specify any directly recruited cadres in respect of which he desires information in greater detail, in regard to recent recruitment, an endeavour will be made to supply it to him.

(e) Government are satisfied that their orders are generally observed but as it is understood that difficulty has occasionally occurred owing to the existence of certain ambiguities, the question of issuing more precise revised orders is under consideration.

(f) Government do not propose to appoint a committee of the kind suggested; but particular care is being, and will continue to be, taken to ensure that the orders regarding communal recruitment, as in force from time to time, are carefully observed in the Posts and Telegraphs Department.

PAGES.	PAGES.
FRIDAY, 10TH MARCH, 1933— <i>contd.</i>	FRIDAY, 10TH MARCH, 1933— <i>concl.</i>
Demand No. 70—Indian Stores Department .. 1926	Demand No. 85A—Aden .. 1929
Demand No. 71—Currency .. 1926	Demand No. 87—Expenditure in England—High Commissioner for India .. 1929
Demand No. 72—Mint .. 1926	Demand No. 88—Capital Outlay on Security Printing .. 1929
Demand No. 73—Civil Works .. 1926	Demand No. 89—Forest Capital Outlay .. 1930
Demand No. 74—Superannuation Allowances and Pensions .. 1927	Demand No. 90—Irrigation .. 1930
Demand No. 75—Stationery and Printing .. 1927	Demand No. 91—Indian Posts and Telegraphs .. 1930
Demand No. 76—Miscellaneous .. 1927	Demand No. 93—Capital Outlay on Currency Note Press .. 1930
Demand No. 76A.—Expenditure on Retrenched Personnel charged to Revenue .. 1927	Demand No. 94—Capital Outlay on Vizagapatam Harbour .. 1930
Demand No. 77—Refunds .. 1927	Demand No. 95—Capital Outlay on Lighthouses and Lightships 1931
Demand No. 79—Baluchistan .. 1928	Demand No. 96—Commuted value of Pensions .. 1931
Demand No. 80—Delhi .. 1928	Demand No. 96A.—Expenditure on Retrenched Personnel charged to Capital .. 1931
Demand No. 81—Ajmer-Merwara 1928	Demand No. 98—Interest-free Advances .. 1931
Demand No. 82—Andaman and Nicobar Islands .. 1928	Demand No. 99—Loans and Advances bearing Interest 1931—32
Demand No. 82—Rajputana .. 1928	
Demand No. 84—Central India .. 1929	
Demand No. 85—Hyderabad .. 1929	

LEGISLATIVE ASSEMBLY.

Thursday, 23rd February, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

QUESTIONS AND ANSWERS.

NON-RECRUITMENT OF MUSLIM CLERKS IN THE CENTRAL TELEGRAPH OFFICE, NEW DELHI.

440. *Mr. M. Maswood Ahmad (on behalf of Mr. Muhammad Anwar-ul-Azim): (a) Will Government be pleased to supply the information promised in reply to starred question No. 1375, dated the 22nd November, 1932, regarding non-recruitment of Muslim clerks in the Central Telegraph Office, New Delhi?

(b) Will Government be pleased to state the periods for which the two Muslim clerks, Ikram-ud-Din and Fakhrul Hussan, remained employed?

(c) Is it a fact that actually eight Hindu and two Muslim clerks were employed and that both the Muslim clerks have been removed?

The Honourable Sir Frank Noyce: (a) to (c). The Honourable Member is referred to the statement laid on the table of the House on the 9th instant which also supplies the information now asked for. I may add that Mr. Fakhrul Hussan remained employed for about 1½ years.

RECRUITS IN THE CALCUTTA GENERAL POST OFFICE.

441. *Mr. M. Maswood Ahmad (on behalf of Mr. Muhammad Anwar-ul-Azim): With reference to the reply to starred question No. 1449, dated the 28th November, 1932, will Government be pleased to place on the table the promised verified statement of recruits in the Calcutta General Post Office?

The Honourable Sir Frank Noyce: The statement was placed on the table on the 9th instant.

OCCUPATION OF POSTAL QUARTERS IN DELHI.

442. *Mr. M. Maswood Ahmad (on behalf of Mr. Muhammad Anwar-ul-Azim): With reference to the reply to starred question No. 1488, dated the 28th November, 1932, regarding the occupation of postal quarters in Delhi, will Government please state the date of disposal of the case and the result of enquiries?

ACTION TAKEN ON THE RECOMMENDATIONS CONTAINED IN MR. HASSAN'S REPORT.

446. ***Mr. M. Maswood Ahmad** (on behalf of Mr. Muhammad Anwar-ul-Azim): Will Government be pleased to state in detail the action taken on each of the 15 recommendations of the Hassan report *vide* Chapters II, IV and V of the said report?

Mr. P. R. Rau: The more important recommendations made in Mr. Hassan's Report are still under consideration and as explained by me in reply to a question by Mr. Maswood Ahmad on the 1st instant, it is hoped that orders will issue soon.

Mr. M. Maswood Ahmad: Has the Honourable Member issued any Circular about the recommendations of Mr. Hassan?

Mr. P. R. Rau: The provisional views of the Railway Board on the minor recommendations have been communicated to the Agents of the State-managed Railways whose remarks have been called for. They have to be considered before final orders are issued.

Mr. M. Maswood Ahmad: Will the Honourable Member be pleased to lay that Circular on the table for our information?

Mr. P. R. Rau: No, Sir; they are merely the provisional views of the Railway Board.

Mr. M. Maswood Ahmad: Will the Honourable Member be pleased to ask the views of the Muslim Members of the Assembly as well on that point?

Mr. P. R. Rau: When the final orders of the Government of India are issued, they will be placed on the table of this House.

Mr. M. Maswood Ahmad: Will the Honourable Member give a chance to the Muslim Members to inform this new point before issuing any final orders?

Mr. P. R. Rau: I believe, Sir, the idea is that when the views of the Railway Administrations are received, the proposals of the Railway Board will be placed before the Central Advisory Council.

Mr. Lalchand Navalrai: May I know from the Honourable Member if another Mr. Hassan is going to be appointed to help the Muhammadans in getting these Railway posts?

Mr. Gaya Prasad Singh: May I know if non-Muslim Members of the Assembly are proposed to be left out?

Mr. P. R. Rau: They are not proposed to be left out. As I said, the intention is that the proposals will be placed before the Central Advisory Council.

Mr. S. C. Mitra: Is it in contemplation of Government to start a further inquiry about the higher Railway services?

Mr. P. R. Rau: What further inquiries does the Honourable Member refer to?

Mr. S. C. Mitra: In Mr. Hassan's report it is said that Government asked him to report only about the representation of Muslims in the subordinate services. We want to know what steps Government are taking as regards the higher services, *i.e.*, gazetted posts and those carrying more than Rs. 250,

Mr. P. R. Rau: The reason was that full particulars about the superior services and posts carrying more than Rs. 250 are already contained in the Administration Reports which are compiled up-to-date every year.

Mr. S. C. Mitra: Was the inquiry started only to get figures or to advise as regards means for redressing these grievances?

Mr. P. R. Rau: The collection of figures was an essential preliminary to any such inquiry.

Mr. S. C. Mitra: My question is whether Mr. Hassan or anybody else will now be asked to report to the Railway Board about the means to be adopted for giving proper representation to the Muslim minorities or other Indians in the higher posts.

Mr. P. R. Rau: I do not think any such proposal is under consideration at present.

Sardar Sant Singh: May I know if the Circular issued to the Agents invites their opinion only on the representation of Muslims alone or of the Sikhs as well?

Mr. P. R. Rau: As I have already said, the Circular issued is only about the minor recommendations of Mr. Hassan's report. The major recommendations regarding the proportions to be laid down for different communities are at present under the consideration of the Government of India and the views of the Agents have not been called for on those recommendations. M.
J.

Sardar Sant Singh: May I know whether all those proposals, which are under consideration, relate to Muslims alone or do they include the representation of Sikhs as well?

Mr. P. R. Rau: I am afraid, Sir, I shall have to look up the papers before I can reply to that.

Mr. Lalchand Navalrai: May I know, Sir, if Sindhis are not a minority in Sind and whether their claims are to be considered or not?

Mr. P. R. Rau: I suggest, Sir, that that hardly arises out of this question.

Mr. N. M. Joshi: May I ask, Sir, whether the Government of India or the Railway authorities propose to reserve a certain proportion of employments for the working class children?

(No reply.)

ALLOTMENT OF SUFFICIENT AMOUNT OF MONEY FOR THE BENEFIT OF THE AGRICULTURISTS.

449. ***Mr. M. Maswood Ahmad:** (a) Are Government aware that the Government of several countries have prepared plans and schemes for helping the agriculture and the industries of their country and that in spite of the general depression they have sanctioned huge amounts of money for these purposes?

(b) Are Government aware that Mr. Roosevelt's plan has provided employment for more than a lakh of unemployed persons in the United States of America, the Government of Russia have prepared a plan to improve the condition of the agriculturists, and Japan has also entered the field with a big plan for helping the agriculture and industries of that country?

(c) Will Government be pleased to state whether they have any such plan in existence or under their active consideration?

(d) Do Government propose to allot a sufficient amount of money for the benefit of the agriculturists of this country? If not, why not?

Mr. G. S. Bajpai: (a) and (b). Government have seen articles on the subject in the Press.

(c) and (d). As already stated by me in answer to questions Nos. 49 and 53, asked by the Honourable Member on the 2nd February, 1933, the subject is primarily the concern of Provincial Governments. I may, however, mention that the Imperial Council of Agricultural Research has sanctioned several important schemes extending over a period of years for improvement and research in agriculture and that other similar schemes are under consideration.

COMPETITION OF AUSTRALIAN WHEAT AND JAPANESE RICE WITH INDIAN WHEAT AND RICE.

450. ***Mr. M. Maswood Ahmad:** (a) Are Government aware that India, in spite of being an agricultural country, having vast land for cultivation and having labourers on low wages, could not compete with the Australian wheat in India?

(b) Are Government aware that the Japanese rice is successfully competing with the Indian rice?

(c) Have Government enquired into the reasons for this successful competition of Australian wheat and Japanese rice with that of Indian wheat and rice?

(d) Do Government propose to set up a Committee of officials, non-officials, experts and members of the Central Legislature to consider this question and to prepare some scheme to give relief to the poor agriculturists of India?

(e) Do Government realize that such a vast scheme requires the help and support of the Government of India?

Mr. G. S. Bajpai: (a) The price of Australian wheat is fixed by world prices and not by the cost of labour as Australia exports the greater part of her production. The price of Indian wheat is above world parity and the import duty on wheat in India is about 50 per cent. of the present price of Australian wheat landed in London. Present prices are no indication of the cost of production in either country.

(b) No. Only 94 tons of Japanese rice were imported into India during the period April, 1932, to December, 1932, while the exports of Indian rice during the same period amounted to 1,359,000 tons.

(c) Does not arise.

(d) and (e). Government do not consider that the appointment of a Committee, as suggested, would lead to any practical result. Such relief as Local Governments can give to agriculturists they are, as stated in H. E. the Viceroy's speech in this Assembly on the 1st February, already giving.

Mr. M. Maswood Ahmad: Will the Honourable Member be pleased to say what was the price of the foreign rice imported into India?

Mr. G. S. Bajpai: I presume, Sir, that it was on the same level as the price of Indian rice.

Mr. M. Maswood Ahmad: Is it a fact that those 27,000 tons of foreign rice imported into India were imported in the last quarter of the year 1932?

Mr. G. S. Bajpai: My Honourable friend must have misheard me. I did not say 27,000 tons, I said 94 tons.

Mr. M. Maswood Ahmad: My Honourable friend, Sir Joseph Bhole, replied to a question the other day that 27,000 tons had been imported into India.

The Honourable Sir Joseph Bhole: I regret to say that I have no recollection of the reply that I gave.

Mr. G. S. Bajpai: May I submit, Sir, that I gave the reply and the figure 27,000 tons included imports from French Indo-China and Saigon.

Mr. M. Maswood Ahmad: I wanted to know whether these 27,000 tons which were imported into India were imported in the last quarter and not in the whole nine months?

Mr. G. S. Bajpai: The information was given in the reply which I gave a few weeks ago, and I will ask my Honourable friend to look it up.

Mr. M. Maswood Ahmad: Will the Honourable Member be pleased to say what amount of money went out of India on account of these 27,000 tons on the rice imported?

Mr. G. S. Bajpai: I confess I do not follow that question.

Mr. M. Maswood Ahmad: My question was, what amount of money went from India to other countries on account of the import of 27,000 tons of rice into India?

Mr. G. S. Bajpai: I confess I do not understand what the Honourable Member is driving at. I said, India exported 1,359,000 tons of rice. If the Honourable Member's question is whether the import of 27,000 tons into India had any effect upon her exports, I should say it was very infinitesimal.

CONDITION OF AGRICULTURE AND INDUSTRIES IN FOREIGN COUNTRIES.

451. ***Mr. M. Maswood Ahmad:** (a) Will Government please give the names of the countries in which the Government of India have their representatives?

(b) Have Government instructed their representatives to keep them in touch with regard to any scheme which the Government of those countries initiate to help the agriculture and the industries?

(c) If the reply to part (b) be in the negative, are Government prepared to consider the desirability of instructing their representatives to keep them well informed of any experimental measure or of any plan which they may prepare for improving the conditions of agriculture and the industries?

The Honourable Sir Joseph Bhore: (a) The Government of India have representatives in the following countries:

Great Britain.

Germany.

South Africa.

Malaya.

Ceylon.

Tibet.

Nepal.

(b) and (c). No special instructions have been issued or appear to be necessary, as these representatives generally keep the Government of India informed of any important developments in the countries in which they reside.

Dr. Ziauddin Ahmad: Have these representatives ever sent during the last three years any big schemes of any other country for the information of the Government of India?

The Honourable Sir Joseph Bhore: Well, Sir that does not come within my Department, and so I am unable to give an authoritative answer, but I shall be happy to make enquiries from the Departments concerned and let my Honourable friend know.

Dr. Ziauddin Ahmad: May I ask whether these Trade Commissioners sent periodical reports to the Government of India?

The Honourable Sir Joseph Bhore: These are not all Trade Commissioners.

Dr. Ziauddin Ahmad: Did the Government of India receive periodical reports from these representatives?

The Honourable Sir Joseph Bhore: I think in almost every case regular reports are received from the representatives of the Government of India.

Dr. Ziauddin Ahmad: Will Government be pleased to circulate these reports amongst Members of the Legislative Assembly?

The Honourable Sir Joseph Bhore: Well, Sir, I am not in a position to say whether they can be circulated or not, for the simple reason that these reports possibly contain other information as well, which if may not be advisable to circulate.

Dr. Ziauddin Ahmad: Can you circulate suppressing such portion which may be confidential?

The Honourable Sir Joseph Bhore: So far as my Department is concerned, I shall first see what the nature of the report, if any, is, and if I see no objection to it, I shall certainly be happy to give any information I can.

CONTRIBUTIONS TO DIFFERENT AERO CLUBS IN INDIA.

452. ***Mr. M. Maswood Ahmad:** (a) What amounts have been paid to the different aero clubs in India, from the revenues of the Government of India during the last three years (each year separately)?

(b) Has any amount been contributed to any aero club for the air race competition for the Viceroy's Cup? If so, how much?

The Honourable Sir Frank Noyce: (a) A statement giving the information asked for by the Honourable Member is laid on the table.

(b) No.

	1929-30.*	1930-31.	1931-32.
	Rs.	Rs.	Rs.
Aero Club of India and Burma, Ltd.	30,000	30,000	20,000
Karachi Aero Club, Ltd., Karachi	29,000	22,700	24,800
Delhi Flying Club, Ltd., Delhi	29,000	23,300	22,700
Bombay Flying Club, Ltd., Bombay	29,000	22,550	22,850
Bengal Flying Club, Ltd., Calcutta.	20,000	23,750	22,700
Punjab Flying Club, Ltd., Lahore	..	64,514†	21,500
Madras Flying Club, Ltd., Madras	..	63,150†	22,100
	1,37,000	2,49,964	1,56,650

Mr. B. Das: May I enquire if the Government of India intend to continue their contribution to the Royal Aero Club of India yearly or whether they want to lower the amount which they have given for the last two years?

The Honourable Sir Frank Noyce: It has been unfortunately found necessary to reduce the Government of India's contributions to the Aero Club of India.

Mr. B. Das: Does the Honourable Member realise that when the Royal Aero Club was started by a gallant Member of the House, the Government of India promised a very large contribution, but that since then they have gone behind their promise?

The Honourable Sir Frank Noyce: I do not know, Sir, if my Honourable friend studies the papers. If so, I venture to suggest to him that he might read what I said at the Conference of the representatives of the various Aero Clubs in India at their meeting on Sunday week.

* In addition, an expenditure of Rs. 11,400 on bonus payments to the four flying clubs was incurred by Government.

† Includes expenditure on aeroplanes, hangars, etc., provided by Government.

PRESENT AIR ROUTE BETWEEN INDIA AND ENGLAND.

453. *Mr. M. Maswood Ahmad: (a) Is it a fact that the course of the air route from England to India has again been altered? If so, are Government in a position to state the reasons which have necessitated its change?

(b) Will Government kindly state the present air route between India and England?

The Honourable Sir Frank Noyce: (a) Yes. The agreement with the Persian Government which allowed Imperial Airways, Limited, to use aerodromes along the northern side of the Persian Gulf expired on the 1st October, 1932. His Majesty's Government therefore arranged that a new route, which had been prepared along the Arabian shore of the Gulf, should be used.

(b) The route at present followed by Imperial Airways' England-India Air Service is as follows:

Croydon-Paris-Brindisi-Athens-Crete-Alexandria-Goza-Rutbah Wells-Baghdad-Basra-Koweit-Bahrein-Sharjah-Gwadar-Karachi.

Mr. F. E. James: May I ask whether the Persian Government refused to renew the agreement or whether His Majesty's Government chose the alternative course as a preferable course?

Mr. H. A. F. Metcalfe: On a point of order, Sir: I would ask whether the Honourable Member is in order in asking a question which affects the relations between His Majesty's Government and a foreign Government?

Mr. F. E. James: I am merely asking for information.

Mr. H. A. F. Metcalfe: On a point of order, I should say that that information does affect the relations between His Majesty's Government and a foreign Government.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is the best judge of that.

RATIFICATION OF THE AIR CONVENTION OF 1914.

454. *Mr. M. Maswood Ahmad: (a) Will Government please lay on the table a copy of the Air Convention of 1914?

(b) Will they be pleased to state whether they have ratified the Convention or not?

(c) Will they also be pleased to state the names of the States which have ratified the protocol to this Convention?

The Honourable Sir Frank Noyce: (a) The Honourable Member is presumably referring to the International Convention relating to the Regulation of Aerial Navigation, dated the 13th October, 1919. A copy of this Convention has been placed in the Library.

(b) The Convention has been ratified by the Government of India.

(c) There are four Protocols concerning amendments to the Convention. It is not clear to which Protocol the Honourable Member is referring. A statement is laid on the table, giving the dates of all four Protocols with brief subjects, the names of the States which have ratified them, and the dates from which each came into force.

Serial No.	Brief subject and date.	Names of States who have ratified or adhered to the Protocol.			Date from which the Protocol came into force.
1	Concerning amendment to Article 5 of the Convention regarding flight of aircraft of non-contracting states over territories of contracting states. Dated London, 27th October 1922.	Australia Belgium Bulgaria Canada Czechoslovakia Denmark France Great Britain	Greece India Irish Free State Italy Japan Netherlands New Zealand Norway	Persia Portugal Roumania Saar Territory Siam South Africa Sweden Yugoslavia.	14th December 1926.
2	Concerning amendment to Article 34 of the Convention regarding the constitution of the International Commission for Aerial Navigation. Dated London, 30th June 1923.	Australia Belgium Bulgaria Canada Czechoslovakia Denmark France Great Britain	Greece India Irish Free State Italy Japan Netherlands New Zealand Norway	Persia Portugal Roumania Saar Territory Siam South Africa Sweden Yugoslavia.	14th December 1926.
3	Concerning amendments to Articles 3, 5, 7, 16, 34, 37, 41, 42 and the final clauses of the Convention. Dated Paris, 15th June 1929.	Australia Belgium Bulgaria Canada Czechoslovakia Denmark France Great Britain	Greece India Irish Free State Italy Japan Netherlands New Zealand Poland.	Portugal Roumania Saar Territory Siam South Africa Sweden Yugoslavia.	This Protocol will come into force when it has been ratified by Chile, Persia, and Uruguay.
4	Concerning amendments to Articles 34 and 40 of the Convention. Dated Paris, 11th December 1929.	Ditto	Ditto	Ditto.	Ditto.

Mr. M. Maswood Ahmad: I have mentioned in my question the Air Convention of 1914, and not 1919: and I want information about that Air Convention.

The Honourable Sir Frank Noyce: I will look into the matter again. The Convention, under which we are at present acting, is the one of 1919, and it was, therefore, assumed that that was the one about which the Honourable Member wanted information. If he desires information about the previous one, I shall be glad to look it up and supply it to him.

Mr. M. Maswood Ahmad: Yes. I desire that the information be supplied.

ISSUE OF CHEAP INTERMEDIATE CLASS RETURN TICKETS BETWEEN LAHORE AND AMRITSAR ON THE NORTH WESTERN RAILWAY.

455. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that cheap intermediate class return tickets have been introduced between Lahore and Amritsar by the North Western Railway as an experimental measure?

(b) Do Government propose to issue first and second class cheap return tickets also as an experiment? If not, why not?

(c) Do Government propose to extend this experiment on other sections also to judge the correct result of the experiment?

Mr. P. R. Rau: (a) and (c). Government understand that cheap third class (not intermediate class) return tickets are issued by the North Western Railway for journeys between:

- (1) Lahore and Amritsar.
- (2) Lahore and Atari.
- (3) Amritsar and Atari.
- (4) Amritsar and Batala.
- (5) Delhi and Meerut City.
- (6) Delhi and Rohtak.
- (7) Rawalpindi and Gujarkhan.
- (8) Sukkur and Shikarpur.
- (9) Lahore and Gujranwalla.
- (10) Rawalpindi and Hassanabdal.

(b) The question of issuing similar tickets for the higher classes was considered by the Railway Administration in consultation with their Local Advisory Committee, but the proposal was rejected as it involved a loss of revenue without any countervailing advantages.

RUMOURED TRANSFER OF THE MANAGEMENT OF THE GREAT INDIAN PENINSULA RAILWAY.

456. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that Government intend to hand over the management of the Great Indian Peninsula Railway to the Bombay, Baroda and Central India Railway, the Bengal Nagpur Railway and the Madras and Southern Mahratta Railway Companies?

(b) Are Government aware that the Indian people are not satisfied with the management of Company Railways?

(c) Will Government state the full facts about the rumour that the Great Indian Peninsula Railway is going to be divided into three sections and that each section is going to be handed over to the three Railway Companies mentioned in part (a)?

(d) Do Government propose to consult the Central Legislature before taking any such step? If not, why not?

Mr. P. R. Rau: (a) and (b). No.

(c) The rumour has no foundation.

(d) Does not arise.

UNPAID PROBATIONERS AND NON-MATRICULATES IN THE DEPARTMENTS OF THE GOVERNMENT OF INDIA.

457. ***Mr. M. Maswood Ahmad:** (a) Will Government please state whether they allow honorary clerks or unpaid probationers to be appointed by the Departments of the Government of India? If so, will they be pleased to lay a statement on the table showing separately:

(i) the number of such honorary clerks or unpaid probationers maintained by each Department, separately;

(ii) the communities to which they belong; and

(iii) their academic qualifications?

(b) Will Government please state whether there is any rule or order debarring the recruitment of non-matriculates in officiating, temporary, interim and seasonal vacancies? If so, will they please state whether this rule or order is strictly followed by the different Departments of the Government of India? If not, why not?

(c) Will Government also be pleased to lay on the table a statement showing the number of temporary non-matriculates appointed after 1930 who are working in each of the Departments of the Government of India, separately?

The Honourable Sir Harry Haig: (a) The answer to the first part of the question is in the negative. The latter part does not arise.

(b) There is no such rule. The rest of the question does not arise.

(c) A statement is laid on the table.

Statement showing the number of non-matriculates appointed after 1930 who are working in each of the Departments of the Government of India.

Army	1
Commerce	..
Education, Health and Lands	..
Finance	..
Foreign and Political	3
Home	..
Imperial Council of Agricultural Research	..
Industries and Labour	1
Legislative	..
Legislative Assembly.	..
Military Finance	..
Reforms Office	..
Railway Department	..

SELECTION OF AN OBJECTIONABLE DRAMA BY THE TEXT BOOK COMMITTEE,
DELHI.

458. ***Khan Bahadur Haji Wajihuddin:** (a) Has the attention of Government been drawn to the editorial article published in the daily *Adil* of the 5th February, 1933, on page 3, column 3, under the heading "*Barnard Shaw ka Sardar-i do-Alam par hamla*"?

(b) Will Government be pleased to state if the allegations made therein are incorrect?

(c) Will Government kindly state since when the drama referred to is in the B. A. course?

(d) Will Government be pleased to state the names of the members of the Text Book Committee, Delhi?

(e) Have Government taken any action against the author, printer and publisher of the drama and, if so, what?

(f) If the reply to part (e) be in the negative, do Government propose to take action against the aforesaid persons and, if so, what?

(g) If the reply to part (f) be in the negative, will Government kindly state the reason?

(h) Do Government propose to take any action against the members of the Text Book Committee, Delhi, for having included the drama in the course? If so, what? If not, why not?

Mr. G. S. Bajpai: Enquiries have been made and a reply will be furnished to the House as soon as possible.

FUNDS OF THE ALL-INDIA POSTAL AND RAILWAY MAIL SERVICE UNION,
PUNJAB AND NORTH-WEST FRONTIER BRANCH, IN THE CUSTODY OF
ONE MR. M. G. A. SWABERRY.

459. ***Bhai Parmu Nand:** (a) Is it a fact that the All-India (including Burma) Postal and Railway Mail Service Union, Punjab and North-West Frontier Provincial Branch was registered under the Trade Union Act in Delhi, and that Mr. M. G. A. Swaberry, a clerk in the General Post Office, Delhi, was the General Secretary of the above Union?

(b) If the answer be in the affirmative, has Mr. M. G. A. Swaberry submitted an up-to-date audited account of the Punjab and North-West Frontier Province Provincial Union to the Registrar? If so, when and what was the last balance sheet?

(c) Are Government aware that Mr. M. G. A. Swaberry has started a separate Muslim Union, and that the Punjab and North-West Frontier Province Provincial Union is no longer functioning, whereas all the funds are still in the custody of Mr. M. G. A. Swaberry without any security? If so, are Government prepared to take possession of the funds subscribed by all communities instead of letting them remain in the custody of Mr. M. G. A. Swaberry, the Secretary of the Muslim Union, till the Provincial Union is reconstituted?

Sir Thomas Ryan: (a), (b) and (c). Government have no information on the matters to which the Honourable Member refers which are entirely the domestic affairs of the Unions concerned and they are not, therefore, prepared to take the action suggested by the Honourable Member in the latter half of part (c) of his question.

Mr. Lalchand Navalrai: Might I know from the Honourable Member if this Provincial Union was recognised by the Department or not?

Sir Thomas Ryan: I believe that not only the central body of the All-India Postal and Railway Mail Service Union, but also the provincial and local branches are all recognised.

Mr. Lalchand Navalrai: May I not know from the Honourable Member if, in the interests of the public money, the Department will make the inquiry whether the amount in his hands is properly accounted for?

Sir Thomas Ryan: I do not think that the funds of the Union have become public money because the Union is recognised by the Government.

Mr. Lalchand Navalrai: In this question, there is the fact that this money first belonged to the Muhammadans and Hindus alike, and now this Union has been changed and made into a Muslim Union and, therefore, the money belongs to both Hindus and Muslims: should not the Department, which recognised the Union, help in finding out if the money is properly accounted for?

Sir Thomas Ryan: The money is the property, as I understand, of the Union or the members of the Union, and the Government have no control whatever over those funds.

Mr. Lalchand Navalrai: Then what is the good of recognising these Unions?

Sir Thomas Ryan: Recognition, in this context, means, I think, that Government recognise the body in question as a suitable body to represent certain matters for the purpose of correspondence as regards the interests of those represented in the Union.

Mr. Lalchand Navalrai: And not a suitable body to possess the property of these two communities?

Sir Thomas Ryan: Government are not concerned with the question of the funds of the Union in any way.

Mr. M. Maswood Ahmad: Is it a fact that the All-India Postal and Railway Mail Service Union is an unregistered body, while the Union, of which Mr. Swaberry is the Secretary, is a registered body and so, under the law, this transfer of money which has been suggested just now is not permissible?

Sir Thomas Ryan: I am not quite sure whether the All-India Postal and Railway Mail Service Union is registered or not; but the question whether it is registered or not appears to me to have no bearing whatever on the subject matter of this question.

Mr. M. Maswood Ahmad: Are Government aware that all these funds have been deposited in Government securities for which the balance sheets have been duly submitted to the Registrar and is not in the possession of Mr. Swaberry and, according to the balance sheet, he has spent ten rupees from his own pocket?

Sir Thomas Ryan: Government have no information as to whether that is so or not.

Mr. K. Ahmed: Might I put one useful supplementary question? In view of the fact that the Royal Commission on Labour has already gone through these matters for nearly two years and came to the conclusion and recommended to the Government of India that the accounts of these Union members, some of whom at least are very objectionable, should be scrutinised by the Government officials so that by payment of a few hundred rupees to the auditor available in the market who certifies the gentlemen who raise the subscription and illegally spend it on misappropriation will have no following whatever so far as the prosecution goes, and my learned and Honourable friend from Karachi may get certain benefit out of it, so that neither Mr. Swaberry or any other unionist who collects subscriptions may not be very much successful with regard to their misappropriation and not correctly render the account? What has the Government to state about that recommendation of the Royal Commission on Labour? Do they propose to expedite the bringing into force of that very recommendation that the accounts should be audited, scrutinised and certified by the expert accountant of the Government instead of the public auditor available in the market?

An Honourable Member: Will the Honourable Member repeat the question?

The Honourable Sir Frank Noyce: In reply to the Honourable Member's speech, I would refer him to the volume showing the action we have taken on the recommendations of the Royal Commission on Labour, a copy of which has been placed in the Library, and a copy of which also was sent to him personally as a member of that Commission.

Mr. K. Ahmed: Do Government propose to expedite in the matter of authorising and taking the necessary steps to pass legislation so that the accounts of the unionist people may be audited, scrutinised and certified by the Government officers instead of the public auditor available in the market at any cost?

The Honourable Sir Frank Noyce: My impression is, speaking purely from recollection, that our examination shows that legislation on this point was not required.

FILLING UP OF VACANCIES OF INFERIOR SERVANTS ON COMMUNAL BASIS IN THE DELHI GENERAL POST OFFICE.

460. ***Bhai Parma Nand:** Will Government be pleased to state whether the third vacancy on communal basis is allotted in the Delhi General Post Office taking the cadres of postmen and other inferior servants like packers and mail peons as one category or different categories?

Sir Thomas Ryan: Postmen, who are 'superior' servants, and 'inferior' servants are treated as separate cadres for the purpose of the application of the third vacancy rule.

RETRENCHMENT IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

461. ***Pandit Satyendra Nath Sen** (on behalf of Pandit Ram Krishna Jha): (a) Is it a fact that a certain number of men in the Railway Clearing Accounts Office were brought under retrenchment in November, 1931, and onward?

(b) If the reply to the above question be in the affirmative, will Government be pleased to state:

(i) what is the number of such retrenched men, and

(ii) what is the approximate length of their service?

(c) Are Government aware that men with one, and one and a half years' service were retained in the Railway Clearing Accounts Office, while those with three to four years' service were discharged?

(d) Will Government be pleased to lay on the table a list of such special cases with reasons for which the men junior in service were retained, and state whether they now propose to take any measures to redress the grievance of the retrenched men?

(e) Are Government prepared to make an enquiry as to whether higher officials of the department concerned have shown any favouritism towards those who have been retained and unfairness towards those who have put in four to five years' service and yet have been turned out?

(f) Are Government further prepared to enquire and state whether relationship with officers concerned has had anything to do in the arrangement that has been made? If so, do Government propose to take necessary steps to redress the wrong done to the clerks turned out?

Mr. P. R. Rau: (a) Yes.

(b) (i) 87.

(ii) Between 1 year and 36 years.

(c) and (d). Under retrenchment orders in force in the first block retrenchment the men were selected for discharge in the following order:

(1) those who were inefficient;

(2) those who were the least efficient;

(3) those who had short service, and

(4) those who were nearing the age of superannuation.

In accordance with these orders which placed short service third in order, it happened in some cases that persons with longer service were selected for discharge as inefficient or less efficient. I lay on the table a list of cases where men with less service were retained in preference to men with longer service for these reasons. A waiting list of men discharged on grounds other than inefficiency is maintained, and no outsiders will be appointed until these men are absorbed.

(e) Government do not consider that an enquiry is necessary as they have no reason to think that the retrenchments were carried out otherwise than strictly in accordance with the orders in force at the time.

(f) Government are satisfied that the allegation in this question is entirely unfounded.

Statement of men who were retained in service out of turn including the past discharges.

RAILWAY CLEARING ACCOUNTS OFFICE.

(Including Rate Registers experiment.)

Serial No.	Name. Clerks.	Serial No.	Name. Clerks.
1.	Mr. D. N. Batra.	19.	Mr. Mohd. Ahmad Siddiqi.
2.	" Mhar Chand Soraya.	20.	" Mohan Singh.
3.	" Amar Nath Khurena.	21.	" Mohd. Irfan, Zoberi.
4.	" Nawal Kishore.	22.	" Fazli Hakim.
5.	" Puran Chand.	23.	" A. A. Ansari.
6.	" Brahmanand.	24.	" K. G. Sarelya;
7.	" Jaswant Rai.	25.	" Girdhari Lal.
8.	" Ram Chand.	26.	" Harbans Lal, Duggal.
9.	" Dyal Dass.	27.	" Bakhshi Ram.
10.	" P. N. Soi.	28.	" Achhru Ram.
11.	" Ram Lal.	29.	" G. S. Puri.
12.	" A. Sitaraman.	30.	" Harbans Singh.
13.	" A. V. Natarajan.	31.	" Mujtaba Ali.
14.	" Shanti Nath Bhalia.		
15.	" V. Sriraman.	No.	Name. Punchers.
16.	" T. S. Raghavan.	32.	Mr. Mohd. Sharif.
17.	" P. Srinivasa Iyer.	33.	" Raghbir Chand.
18.	" V. D. Mogrey.	34.	" Ravi Datt.
		35.	" Rana Subhan.

VOLUNTARY RETIREMENT OF CERTAIN CLERKS IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

462. *Pandit Satyendra Nath Sen (on behalf of Pandit Ram Krishna Jha): (a) Will Government kindly state:

(i) the number of vacancies that occurred owing to the voluntary retirement of certain clerks in the Railway Clearing Accounts Office;

(ii) whether these vacancies were kept unfilled, and for what period; and

(iii) whether there were definite orders from the Railway Board to that effect?

(b) If the reply to part (a) (ii) be in the negative, will Government kindly state the reason why the vacancies have been left unfilled?

Mr. P. R. Rau: (a) (i) Twelve.

(ii) For varying periods, the shortest being one week and the longest nine months.

(iii) No.

(b) The vacancies were left unfilled as a measure of economy.

CANCELLATION OF THE NOTICES OF DISCHARGE SERVED ON CERTAIN CLERKS OF THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

463. *Pandit Satyendra Nath Sen (on behalf of Pandit Ram Krishna Jha): (a) Is it a fact that certain clerks of the Railway Clearing Accounts Office were served with notices of discharge during January, 1933, and the notices were subsequently cancelled?

(b) If the reply to the above question be in the affirmative, will Government be pleased to state the reasons for the issue and subsequent cancellation of the notices and whether there were orders from the higher authorities to that effect?

Mr. P. R. Rau: (a) Yes.

(b) I understand the sanction for certain temporary appointments was due to expire at the end of January, 1933, and, pending orders on the retention of the establishment after the termination of the original period, the Director took the precaution of giving notice to the staff concerned so that he might be able to dispense with their services in time in case the sanction for extension was not accorded. It was decided, however, that the temporary establishments should be continued and consequently the notice of discharge became inoperative.

THE INDIAN WIRELESS TELEGRAPHY BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Sir Frank Noyce (Member for Industries and Labour): Sir, I beg to present the Report of the Select Committee on the Bill to regulate the possession of wireless telegraphy apparatus.

STATEMENT OF BUSINESS.

The Honourable Sir Brojendra Mitter (Leader of the House): Mr. Chairman, my statement regarding Government business for next week is again a short one. Government business is fixed for Tuesday, Thursday and Friday only. On Tuesday forenoon, certain demands for Supplementary Grants for Railways will be made. At 5 p.m. on that day, the General Budget will be presented, and the Finance Bill will then be introduced. Thursday and Friday will be devoted to the General Discussion of the Budget. I may also inform the House now that the voting of Demands on the General Budget will be taken up on the five working days of the week thereafter, from Monday the 6th, to Friday the 10th March.

THE RAILWAY BUDGET—LIST OF DEMANDS—*contd.*SECOND STAGE—*contd.*DEMAND No. 1—RAILWAY BOARD—*contd.**General Policy and Administration of the Railway Board.*

Mr. Chairman (Sir Hari Singh Gour): The House will now resume discussion of the cut motion moved by Mr. A. H. Ghuznavi:

"That the demand under the head 'Railway Board' be reduced to Re. 1."

Mr. N. M. Joshi (Nominated Non-Official): Sir, when I spoke on the last occasion, I gave a few figures to the House regarding the treatment given to first class passengers by the Government of India in the Railway Department, and in order that the memory of Honourable Members may be refreshed, I shall repeat those figures again. The Indian Railways possess at present 40,000 first class seats, 65,000 second class seats and 11,60,000 third class seats. Now, with these seats Indian Railways carry during the year 508,000 first class passengers; five million 987 thousand second class passengers and 487 million third class passengers. This gives us the result, that for every 12 first class passengers there is one seat available, for every 90 second class passengers, there is one seat available, while for third class there is only one seat for 400 passengers. This may also mean that a first class seat was used in the whole year only 12 times out of 365 days, and second class seat was used only 90 times during the whole year, while a third class seat was used 400 times in a year. These figures have some bearing on the question of economy which we expect the Department to practise. Whether the Department should keep themselves overstocked with first class seats which are used 12 times in a year, or with second class seats which are used 90 times during the whole year, is a question to be examined from the point of view of economy, and I leave that aspect of the question to be examined by my friend, Dr. Ziauddin Ahmad. My present purpose is not to deal with the question of economy, but to show what treatment is given to the first, second and third class passengers.

Now, these figures show what proportion of overcrowding exists on Indian Railways. So far as first class is concerned, one seat is used only 12 times in a year,—there is no question of overcrowding, and we can easily understand why my friend, Mr. Ghuznavi, travels several times in the first class all by himself in the whole compartment and why I also sometimes travel in the second class all alone from Bombay to Delhi. The Railway Department is overstocked with first and second class carriages, but, in order to make a comparison and to be fair to the Railway Board, I must give the figures of the average length of travel of first, second and third class passengers. The figures are these. The average length of a first class travel is 183 miles, the average length of a second class travel is 60 miles, and the average length of a third class travel is 35 miles. We must give the first class passengers the advantage of the length of their travel, and, therefore, I equalise the figures by multiplying 12 by 5, because the length of a first class travel is five times that of a third class travel. So there is one first class seat available for 60 passengers, and this figure has been arrived at by multiplying 12 by 5. So far as second class passengers are concerned, there is one seat for 180 passengers, and for third class passengers there is one seat

for 400 passengers. These figures conclusively prove that as far as overcrowding is concerned or as far as the seats for first, second and third class passengers are concerned, the first class passengers are six times better than the third class passengers, the second class passengers are more than two times better than the third class passengers . . .

Dr. F. X. DeSouza (Nominated Non-Official): What about the fare?

Mr. N. M. Joshi: My friend, Dr. DeSouza, interjects and asks "what about the fare?" Sir, in this matter the fare has absolutely no relation, because a first class passenger pays for one seat; he does not pay for 2, 3, 5 or 6 seats which he gets. It is true that the first class passengers have now become accustomed by paying for one seat to get the whole compartment, but that is not a right thing, that is not a just thing, because he has not paid for it. Now, my point is this, that the Government of India either have in stock six times more first class seats than they should have and two times more second class seats than they should have, or they carry with their trains unnecessarily six times more first class seats and twice the number of second class seats than are actually required in comparison with third class seats. This point has a bearing on the comforts of third class passengers. We know that there is overcrowding in third class trains. That overcrowding, in my judgment is due to this cause that every train carries unnecessarily first and second class carriages, while third class carriages are fewer and, therefore, there is overcrowding in the third class.

Now, the Government of India are suffering from deficits for the last two years. If these deficits are to be reduced, here is an opportunity for the Government of India to reduce expenditure so far as the first and second class passengers are concerned, that is, the provision of seats for them. Now, if they want the revenues to go up and deficits to be reduced, the only course open to them is to encourage third class traffic, and how can that be done—by providing more carriages, more trains. Instead of doing this, the Government of India waste public money which really belongs to the third class passenger. In order to encourage the first and second class passengers, they give concession rates during certain holidays, they give concession rates for week ends and they run special trains.

Now, Mr. Chairman, you do not belong to my province of Bombay. The Great Indian Peninsula Railway has started a sort of show train called the Deccan Queen between Bombay and Poona. I have travelled by that train several times and I found that more than half the first and second class seats were empty except on race days. Why is this done? It is to encourage first and second class traffic. But that traffic is not likely to be encouraged very much. If you give encouragement to the third class traffic, you will double your traffic. That is the way of getting more revenue out of the passenger traffic. The only thing is to encourage third class traffic instead of encouraging first class traffic.

Sir, I dealt with this question only from the point of view of overcrowding and provision of seats. My friend, the Railway Member, will say: "After all Railways are run on commercial lines," but, Mr. Chairman, I said the other day that I am examining this question from the point of view whether Indian Railways are run on commercial or business lines, and I shall, therefore, give you a few figures regarding the finance of this question. During the year for which I am giving the figures, the

1000

LEGISLATIVE ASSEMBLY.

[23RD FEB. 1933.]

[Mr. N. M. Joshi.]

Government of India got from their first class 8 million 300 thousand rupees, that is, 83 lakhs of rupees, and from the second class they got 15 million 300 thousand rupees, that is, one crore and 53 lakhs of rupees, and from the third class passengers they got 27 crores of rupees. If we use these figures with the figures of the seats, what financial results do we get? From every first class seat the Government of India earn a revenue of Rs. 208, from every second class seat the Government of India earn a revenue of Rs. 236, and from every third class seat the Government earn a revenue of Rs. 241. Now, my friend, Dr. DeSouza said, the first class passengers pay more, but look at the financial and commercial results of what the Government of India get from a first class seat. The Government of India got during the year from a first class seat Rs. 208, from a second class seat Rs. 236, while a third class seat pays Rs. 241. Now, the House can judge which class pays more. It is the third class passenger who pays more. I quite realise that individual first class passengers pay more than individual third class passengers, but my charge against Government is that the Government of India show favour to one class, namely, the higher class. You may call it the middle class or you may call it the first class, the class to which we all belong at the cost of the working classes. I am not now comparing what the individuals pay. I am now proving what one class pays and what one class gets. My friend, Sir Muhammad Yakub, and others are interested in the distribution of jobs between different communities. They will find this interesting. They say what does the whole Muslim community get. I am, therefore, talking of what you give to the whole community of third class passengers and what do you give to the whole community of first and second class passengers and what do you take from them. You take from first class Rs. 208 per seat, Rs. 236 from a second class seat, and Rs. 241 from a third class seat.

An Honourable Member: What are the figures for the intermediate class?

Mr. N. M. Joshi: I have not taken those figures, but they will not go against the third class passengers. Now the question is this, if the Government of India make more money from a third class seat, why should they not encourage that traffic? That is my point. I shall give one more figure which I have quoted in my speech in the general discussion. Let us see the results from a commercial or business point of view. These figures are not given in the report, but I have obtained some figures through the courtesy of the Financial Commissioner. What is the cost of the first class seat in a bogey which consists of 12 first class seats? It costs 50,000 rupees. That is about Rs. 4,000 per seat.

Mr. P. R. Rau (Financial Commissioner, Railways): May I point out that the first class bogey, as I informed Mr. Joshi, consists of 12 first class seats and 18 second class seats.

Mr. N. M. Joshi: Well, Sir, there may be a slight variation, I quite agree. But it will not make much difference. I am quite willing to admit that the figures will be difficult to manipulate on account of these two things. I am prepared to say this that for 12 first class seats and 18 second class seats, that is for 30 seats, Government pay Rs. 50,000. So they pay Rs. 4,000 for one first class seat and one and a half second

class seats. Now, what do they pay for a third class seat? They pay Rs. 30,000 for 114 third class seats, with the result that they spend Rs. 260 for a third class seat. Now, what do they get from that sum? In one year a seat which costs you Rs. 260 brings you Rs. 241. And what does a first class seat and 1½ second class seats, which cost you Rs. 4,000, bring to you? They together give you Rs. 444. It is quite clear that on an investment of Rs. 4,000 you get Rs. 444 while on an investment of Rs. 260 you get Rs. 240. (A Voice: "A very fine investment!") So it is quite clear that the third class traffic pays to Government at least eight times or nine times more. Now, why should Government then hesitate to spend more money on the third class passenger than on the first and second class passenger? That is the chief point: if you are running your railways on commercial and business lines,—which traffic pays you the most? Now, as to the Rs. 500 which you get on your investment of Rs. 4,000 in the first class carriage, you will say that you make a profit of 12 per cent. That is not true. Out of that sum, they have to pay the staff, the interest on the capital invested in Indian Railways and the working expenses, and, if you make allowance for these factors, you will find that the Government of India have very little left really for the interest charges on Rs. 4,000. The fact is that the money invested in the first class carriages does not pay at all. The other day, when I was speaking, my Honourable friend, Mr. S. C. Mitra, tried to teach me a maxim of railway management. He said, there was a maxim that you were to consider what the traffic would bear, and you must fix your charges on the basis of that rule. Now, this principle may be true when you are considering what profits you should make on your investment. But does the maxim prove to be useful when your traffic does not pay at all? The question is, whether any particular traffic should be continued at all if it does not pay. If the first class traffic does not pay, the maxim that you should put on what the traffic will bear does not hold good at all, because the Indian Railways are not a philanthropic concern—a remark that I have heard several times, not from my friends on that side, but from the Government Benches. But let us see what is the meaning of philanthropy? Is it not philanthropy to give the first class passengers more seats and less overcrowding at the cost of the third class passengers? That, however, is not true philanthropy. Philanthropy means that poor people are to be paid at the cost of the rich and not that rich people should be paid at the cost of the poor. (Voices: "Quite right.") This operation is not known as philanthropy; it is known in ordinary language by the word "exploitation".

Sir, what I wish to say is that the Government of India should manage their Railways, if not on moral lines, as I urged the other day, at least on true business and commercial lines, and, if they do so, the only thing they should do is to encourage more third class traffic. Some of my friends think that though it is a good thing to speak in favour of third class passengers, we should also say that more should be given to first and second class passengers. Sir, I am not one of these. I feel there is a limit to the amount which the Government of India can spend for passengers. Now, if you ask for more for the first and second class passengers and also include third class passengers among them, you are not likely to do any good to the third class passengers. I, therefore, say, Sir, that the Government of India, inasmuch as their first class traffic does not pay at all, should stop that traffic altogether. In India there is no room for a class like the first class. There are very

1002

LEGISLATIVE ASSEMBLY.

[23RD FEB. 1933.]

[Mr. N. M. Joshi.]

few who will be able to pay for first class. Therefore, the best course is to stop that class, with the result that the money spent on the first class passengers will be saved for the benefit of the third class passengers. I shall devote more detailed consideration to this subject when my motion for the relevant cut comes. For the present I shall deal with another important question, namely, the treatment given by the Railway Department of the Government of India to the railway employees.

I want to draw attention to what the Government of India does for their superior officers and what they do for their subordinate staff, especially what they call the inferior servants, or as some of them are called the daily-rated men. Now, while dealing with this subject, I shall deal with the conditions of pay, the security of service, the leave rules, the Provident Fund Rules, the rules relating to discharges, dismissals and appeals. But, before I go into these details, I should like to make one or two remarks on the question that the Government of India do not exert sufficient pressure on the Company-managed Railways as regards the conditions of service of their employees. I have read in their reports several times that while the Government of India ask the State-managed Railways to do a particular thing, they send in their suggestions for the information merely of the Company Railways and expect them to do what best they can. Sir, I do not agree with this attitude of the Government. After all, although the Company Railways are managed by Companies, most of the capital invested in these Company Railways is Government capital and, therefore, we are entitled to ask these Company-managed Railways to accept the same standards of salaries and other conditions of service in the case of their employees. It would be wrong of the Government of India to leave the Company-managed Railways quite free in this matter. Now, this point moreover is important from the point of view of the standardization of the conditions of service of railway workers. After all, those who conduct industrial concerns know the advantage of standardizing conditions; you keep your people more contented and from that point of view alone the Government of India should insist on the Company-managed Railways following the same rules that are followed on the State-managed Railways. This, Sir, is specially true in a matter where the Government of India have undertaken a statutory responsibility. You take, for example, the Act which the Government of India have passed regulating the hours of work on Indian Railways for certain classes of employees. You cannot certainly say that we shall apply that law first to the State-managed Railways and, then, if possible, to the Company-managed Railways. Sir, in this matter at least Government should not have made any distinction between the State-managed and the Company-managed Railways. If you are passing a law which is good for the State-managed Railways, it is equally necessary for the Company-managed Railways, and the Government of India should have applied that law also to the Company-managed Railways.

Then, Sir, the Government of India, in the Department of Industries and Labour, have published a report on the action taken by the Government of India and the Local Governments on the recommendations of the Royal Commission on Indian Labour. Sir, I have gone through those recommendations so far as the Railways are concerned and what do I find? As regards more than half of the recommendations, although it is now more

than a year and eight months since the report was published, the Government of India state that the recommendations are under consideration. Now, Sir, how long is this consideration to last? Is not a period of one year and eight months sufficient to give their best consideration to some even of the smallest recommendations of the Royal Commission on Labour? Where the Government of India do not state that the matter is under consideration, what do they say? As regards certain recommendations they say that the principle is accepted, but action is deferred. The acceptance of the principle does not make any difference in the conditions of service of the Railway employees. What is the use of saying that the principle has been accepted while action is deferred? Sir, I feel that the Government of India in the matter of giving effect to the recommendations of the Royal Commission have been very slack.

I shall now deal with a few particulars as regards the treatment given to the Indian Railway employees by the Government of India. Sir, I shall first deal with the salaries and show how the Government of India treat their superior services differently from the subordinate and inferior services. Sir, you remember that last year a Railway Retrenchment Committee was appointed. That Railway Retrenchment Committee, on which some of my colleagues sat, recommended that, while making cuts in the salaries of the Railway employees, the Government of India should make larger cuts in the salaries of those people who get larger salaries and smaller cuts for those who get smaller salaries. What have the Government of India done? They have applied a cut of almost the same size to all.

Mr. P. R. Rau: That is not correct, Sir. The cuts in the case of Railways and, I believe, also in the Posts and Telegraphs Department, were ten per cent. for those drawing over Rs. 1,000 a year, one anna in the rupee in the case of persons drawing between Rs. 30 and Rs. 83 a month, and half an anna in the case of persons drawing Rs. 30 a month and below.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Were these cuts made according to the recommendations of the Retrenchment Committee or were they something quite different?

Mr. P. R. Rau: The recommendations of the Retrenchment Committee were different.

Mr. N. M. Joshi: My point is this that the Railway Retrenchment Committee recommended that you should cut the salaries of the superior staff by 15 to 20 per cent., but you did not do it. My complaint is that the Government of India did not treat their employees fairly in this matter.

Now, Sir, there is one more point. In the case of your officers, when they are sick, they are free from the cut, but a daily rated man may fall sick, but he is not free from the cut. I do not wish to deal with this question of salaries more than that, but I shall deal with the question of security of service. So far as the Superior Services are concerned, we know that their service is secured by the Secretary of State; nobody can touch them. Even if the Honourable Member in charge of the Railway Department wants to touch a man belonging to the Superior Service, he cannot do it. The Secretary of State has made his job quite secure. But, what is the position of the subordinate staff? The life of the subordinate staff has really been made very miserable, specially during the last few years, on account of this nightmare of retrenchment. The Government of India have been retrenching and retrenching, and the need for retrenching still

[Mr. N. M. Joshi.]

continues. I do not know when these poor people are going to be free from this danger. The Government of India, as I said in my speech during the general discussion, should follow a bolder and forward policy with the result that they will be able to give employment to a large number of people instead of being under the necessity of retrenching people. Even in the matter of retrenchment, the Government of India have not exercised sufficient control over their Agents. The Railway Court of Inquiry appointed last year stated in their report that the instructions given by the Railway Board to their Agents in effecting discharges for inefficiency were not attended to by the Railway Agents; and what were the Government of India doing if the Agents did not give sufficient attention to their instructions? Then, Sir, the railwaymen realise that these are days of depression and, on account of the wrong policy on which our Railways are run, the Government cannot find money to pay full wages for all people? Therefore, the Railwaymen's Federation, which is really more reasonable than I should like it to be, recommended that instead of retrenching men, the Government of India should put all men on short time. The Government of India do not accept that policy,—I do not know why. The Government of India do not provide for unemployment insurance for their Railway employees, and, if they do not do it, what are these poor people to do? Therefore, instead of retrenching people, if your employees are willing that they will distribute the loss among all, and all will suffer some loss in order to prevent a few of them from losing their jobs, the Government of India should certainly accept their suggestion. Unfortunately the Government of India do not do that.

Now, Sir, without going further into this question of retrenchment, I wish to make one or two remarks as to the recommendations the Royal Commission made in order that the Railwaymen should feel secure in their jobs. The Royal Commission recommended that whenever a man was to be discharged for indiscipline, he should receive a charge sheet returnable within seven days. Then he should be given a further opportunity by the superior officer by personal interview. The Royal Commission also recommended that when the men would be interviewed personally, they should be given the assistance of their Union representative.

Then, the Royal Commission recommended certain appeals in the matter of discharge and dismissals. They state that there should be an appeal to superior officers first—the Divisional Superintendent or whoever the head of the Department may be. They also recommended that there should be a second appeal to the Railway Agents, and, in cases where the loss of Provident Fund and gratuity is involved, there should be an appeal to the Railway Board and, finally, they recommended that no appeal should be withheld. Sir, my complaint is that on Railways more appeals are withheld than are withheld elsewhere, and I ask the Government to consider this question seriously, because employment to railway employees, as to all other employees, means livelihood, and, therefore, this matter should not be treated very lightly as the Government of India do. Here, the Royal Commission, as I pointed out before, have made certain recommendations. Have the Government of India carried out those recommendations without much delay? Instead of that, the Government of India said that the recommendations would be considered and that they were under consideration.

Now, Sir, I shall say only a word about the leave rules. In the matter of leave rules also, the Government of India have one kind of treatment for their superior staff and another kind of treatment for their subordinate staff, and, in the matter of leave, they have made a third class arrangement, as they have got a third class among railway passengers. Sir, the third class passengers are not to be given any comfort. So also, among the railway employees, these third class of employees, who include daily-rated and inferior service men, are not to be given adequate leave. They are the men who require more leave with pay. Instead of being given more leave with pay, more leave with pay is given to the superior officers who get fat salaries. The inferior servants cannot save money. When they become sick, what are they to do? But, instead of giving sufficient leave with pay to your inferior servants, to your daily-rated men, you give more to those people who get already fat salaries. There should be absolutely no justification for this kind of differential treatment to your inferior staff. The daily-rated staff, Sir, does not get any leave before they have been in service for three weeks. Then, they are not allowed to accumulate their leave at all. I do not know why this differentiation should be made in their case.

Then, Sir, as regards racial discrimination, I have great sympathy for the class of people whom Sir Henry Gidney represents in this Assembly. I am not one of those people who say that "turn out the Anglo-Indians from the Indian Railways". But, Sir, the Royal Commission on Indian Labour made the recommendations that the Government of India should lay down a definite programme announcing when racial discrimination will cease. That will give some kind of satisfaction to the people who suffer from this racial discrimination. It is not said by any one even amongst the Hindu employees or among the Mussalman employees that the Anglo-Indian should be made to leave the railway service. But what the people are demanding is that they should know how long this discrimination is to last. Now, it is no use for the Government of India to say that there is no racial discrimination. They themselves have admitted that there is racial discrimination and they admit that they do it, in order to prevent sudden disturbance in the life of the Anglo-Indian community. I admit that it is necessary that there should be no sudden disturbance in the life of the Anglo-Indian community, but we must know today how the Government of India are going to get rid of that distinction, that is to say, whether the Government of India will get rid of this discrimination within five years or ten years definitely, as the Royal Commission has recommended.

Then, Sir, our Indian Railways give assistance to the employees in the matter of education of their children. It is one of the very good things they do. The inferior servants, who come from uneducated classes, deserve more assistance in this matter than any other class of servants. Assistance for education is more necessary for that class of employees who do not appreciate the full benefit of education. Therefore, we should give more assistance to them. But, instead of that, the Government of India follow the reverse policy. They give money to those people who already appreciate the benefits of education and refuse to give to those who are inferior servants. Then, Sir, I am told that there is a proposal that educational assistance should be given to those people who are drawing a salary of more than Rs. 450. I have not got any definite information on that

[Mr. N. M. Joshi.]

point. The Financial Commissioner for Railways may enlighten me. Is it wise and fair that you should provide educational assistance for those who get Rs. 450 and refuse to those inferior servants who may be getting either Rs. 15 or Rs. 20. This is the kind of policy which the Government of India have in the matter of educational assistance for their employees.

The Royal Commission on Indian Labour recommended that the daily-rated men in continuous service for one year should be always treated as monthly-rated people and that they should have all the privileges of the monthly-rated people. The Government of India are still considering this matter. I do not know what consideration is necessary for bringing this reform into existence.

Then, Sir, as regards the Provident Fund, there is the same difficulty. The benefit of the Provident Fund is given for people who are getting better pay, but for people who are getting the lowest wages, the Provident Fund is not open. If an employer has got a little kindness or a little mercy in his heart, he will first try to provide for the old age of the people who get the smallest wages, but instead of that, the Government of India refuse to give the benefit of the Provident Fund to the people who get the lowest salaries, while the Provident Fund is being provided for those who get higher salaries. What is the reason for this differentiation? The Royal Commission on Labour made a recommendation that the Provident Fund should be made open to railway employees without any consideration of salaries that they get. The Commission have also made another recommendation, i.e., that, in the case of people who do not get large salaries, the Provident Fund should be voluntary.

I do not wish to go into further details, but there is one more point on which I wish to speak, and that is the recommendation of the Royal Commission as regards the settlement of disputes on Indian Railways. The Royal Commission on Indian Labour recommended that the Government of India should bring into existence a machinery for joint discussion between the representatives of railwaymen and representatives of Railway Administrations, so that the disputes between the two parties could be settled amicably. The Government of India do not take these recommendations seriously or perhaps they are still under consideration. While strikes are taking place on the Indian Railways, the Government of India are only considering and, thereby, causing losses to the Indian Railways. I think, Sir, this neglect on the part of the Government of India is unfortunate. On account of want of such a machinery, there has recently been a strike on the M. & S. M. Railway. I shall not deal in very much detail with this strike, but I want to point out that this strike had been mainly due to the fact that the Government of India not only had no machinery for joint consultation, but also the Government of India refused to make use of the machinery which is provided by the Indian Trade Disputes Act.

It will not take long to tell you why this M. and S. M. Railway strike took place. The Agent of that Railway introduced short time, more than what the workers thought was justified by the necessities of the case, with the result that they protested and they wanted this question to be discussed with the Agent. The Agent practically refused to discuss this question with the Trade Union, with the result that the Railwaymen's

Federation appeared to the Government of India and asked the Government of India to do what? They did not ask the Government of India to overrule the Railway Agent, but they asked the Government of India to take advantage of the Trade Disputes Act and appoint some machinery by which there will be some kind of conciliation board or inquiry made. But the Government of India refused to appoint either a board of conciliation or a court of inquiry, with the result that there was a strike. This strike lasted for some time. The Government of India were quite callous and would not intervene at all. But some citizens of Madras, with a large amount of goodwill and sympathy in their hearts, formed themselves into a Committee to settle the dispute. They went into the causes of the dispute and tried to settle that dispute. We are very grateful to these citizens of Madras for appointing themselves into a Committee; but that does not absolve the Government of India from their neglect in this matter. It is a good thing that the citizens of Madras formed themselves into a Committee: we are very grateful to them; but as in other work, so in the matter of settling these railway disputes, you want people who know their business. Mere goodwill is not enough. This is a job which requires an expert. You take a country like England where the Government have got several officers who are trained in this kind of work. This is not a work which can be done well by any one who has got mere goodwill. We are very grateful to the Committee in Madras whose Chairman was my Honourable friend, Mr. James, for the effort they made; but that effort failed and it failed because the effort was made by people whose business really was not to settle a railway dispute: they did not know how to settle a trade dispute. What happened? These gentlemen arranged some kind of terms between the Agent and the railway employees. But the railway employees and the Agent never met and the terms were settled by these gentlemen with a great amount of goodwill, but without the two parties meeting. The terms of the settlement were published. The men accepted the terms of the settlement, and what happened afterwards? Some misunderstanding arose, because the Railway Agent said that although the terms which were published and written on a paper did not contain certain stipulations about men who were working at Arkonam and Hubli, still it was understood between the Railway Agent and my friend, Mr. James, and his Committee, that certain terms which were not put in the written agreement were to be observed. Now, if that Committee had consisted of people who had got experience of this kind of work, they would not have left a written agreement of this kind so incomplete on a matter which was of great importance. If a certain class of railway employees were to be excluded from the benefit of this settlement, it should have been noted in the terms of the settlement, but that was not mentioned in the written terms of the settlement, and that was said to be an understanding between the Chairman of this Committee and the Railway Agent. How are the poor workmen to understand all these? It is not my purpose today to blame anybody. Instead of blaming the Citizens' Committee in Madras, I have got praise for them, that where Government neglected their duty they tried to do some thing for the settlement of the dispute which was going on in that part of the country. They deserve all the praise for the work they did: it is not their fault that the misunderstanding arose; but it is the fault of the Government that they should have left that work to a Citizens' Committee instead of leaving that work to a court of inquiry or a board of conciliation. I hope the Government of India will now take steps to see that a proper settlement is arrived at in this matter. Let the employees of the M. and S. M. Railway feel that after all when a written

1008

LEGISLATIVE ASSEMBLY.

[23RD FEB. 1933.]

[Mr. N. M. Joshi.]

agreement was arrived at between the two parties, that written agreement must be respected by all people as a gentleman's agreement. My Honourable friend, who is in charge of the Department, may not know but I remember how on a certain occasion where there was some difference as regards the interpretation of a term of settlement between Sir George Rainy, who was then the Railway Member, and myself and my other friends, how Sir George Rainy spent nine lakhs of rupees from the revenues of the Government of India in order to keep his word as a gentleman. I ask my friend, the Honourable Member in charge of Railways, whether an agreement, which is written, is not to be kept by the Agent of one of the Railways which is under the Government of India. There may be some misunderstanding, but there is a written agreement. Are the Government of India going to enforce that agreement or are they going to support an Agent who goes behind that written agreement, whatever may be the misunderstanding regarding the oral understanding? I do not wish to say anything more on this subject. I know that the Government of India, as they are at present constituted, are showing favour to one class of people against another in the matter of passenger traffic; they show favour to one class in the matter of treatment of employees.

When I spoke on this subject in the general debate, I made one remark that if this favouritism, or as I said, this corruption was to be abolished and if the loss to the Indian Railways was to be stopped, losses which were caused by this wrong policy, then the Indian Railways must be made responsible to the Legislature as representing the people in this country. In this matter I am quite aware that our constitution is going to be changed very soon; but we do not know when the constitution will be changed. I want the Government of India to realise their responsibility to the Legislature from today and I want to know how the Government of India are going to accept their responsibility to the Legislature from today. If they are responsible to the Legislature, it is the Legislature which will be responsible for the losses which are caused to the country. If the Government of India are not responsible to the Legislature and to the people, they are responsible for the losses which they cause. I spoke, the other day, of how it was all very well for the Government of India to raise debits against the clerks who caused them small losses, but who will raise debits against Members of the Railway Board and the Railway Member of the Government of India for causing this loss of nine crores of rupees? Their salaries are not enough for meeting these losses. Therefore, the best course of the Government of India is to throw the responsibility on the shoulders of the Members of the Legislature and to be free from their responsibility for the loss

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): Will they make good nine crores?

Mr. N. M. Joshi: If the Legislature is responsible, the country is responsible, and the Government of India and the Railway Board will not be responsible for the losses; but if the Government of India are not responsible, it is not the Legislature which is responsible for the losses; it is the Members of the Government of India and the Members of the Railway Board who are responsible and, therefore, they must make good the losses. Sir, I do not ask them to make good the losses, because I know they

cannot, even if they want to. Therefore, I suggest to them that they should transfer their responsibility and place it on the Legislature itself. Now, what are the Government of India doing in this matter? The Indian Legislature has got some responsibility and it exercises it either through Budget discussions or through stray Resolutions that are moved in this House. That is not enough. We know what happens during the discussion

Mr. Chairman (Sir Hari Singh Gour): Order, order. I am very sorry to interrupt the Honourable Member, but he is straying from the subject.

Mr. N. M. Joshi: Sir, I assure you that I shall not take very long, this is almost my last point. My point is that the Government of India should be responsible to the Legislature, and I was only pointing out how under the present constitution itself they can be responsible. Their responsibility to the Legislature is implemented firstly by Budget discussions, and, secondly, through the Standing Finance Committee. I was surprised when I saw the Reports of the Standing Finance Committee that the reports on the Railway Budget consisted of one single page in one volume and another page in another volume. I do not know what the Standing Finance Committee on Railway Finance did, and I think that it will be much better from the point of view of the House if the Standing Finance Committee on Railways present a Report giving full information to the Members to whom they are responsible

Mr. B. Das (Orissa Division: Non-Muhammadan): That Report of the Standing Finance Committee will not be written out by the Committee members, but by Mr. Rau.

Mr. N. M. Joshi: There is one more point. When the railway finance was separated from the general finance, the Government of India decided to have a Central Advisory Committee and Local Advisory Committees. I want to know from the Government of India what use they have made of the Central Advisory Committee. This Committee, I am told, met only once

An Honourable Member: Not even once.

Mr. N. M. Joshi: And what subjects did they discuss? I want to know what subjects of importance or of policy were discussed by the Central Advisory Committee. There are important questions of coal purchase in which my friend, Mr. Ghuznavi, is interested. Was that question discussed by the Central Advisory Committee? It is a very important question, because lakhs of rupees are spent for the purchase of coal. There are also many other important questions, for example, whether the Indian Railways should follow a forward or bolder policy of construction or not, whether the rates and fares should be reduced or not, and I want to know whether such important questions of policy were discussed or not. If such questions were not discussed or are not to be discussed, I want to know why the Government of India appointed this Central Advisory Committee? Was this Committee appointed to discuss small questions as to how many Muslims, how many Parsis, how many Anglo-Indians or how many Indians are appointed

Mr. M. Maswood Ahmad (Patna and Chota Nagpur cum Orissa: Muhammadan): They are not small points.

Mr. N. M. Joshi: I do not say that they are small matters to my Muslim, Hindu, Anglo-Indian and Parsi friends, but my Honourable friends will agree that there are questions of far greater importance like rates and fares, stores purchase and the like, than questions relating to a few posts here and there. But do the Government of India discuss these broad questions of policy with the Central Advisory Committee? They do not. If the Government of India want to implement their responsibility to the Legislature, as far as the Railways are concerned, then they should treat the Central Advisory Committee more seriously than they are doing at present. Let them call a special session of the Central Advisory Committee, meet for a fortnight or even a month, place all important matters of policy before them, and then the Legislature, to whom the Central Advisory Committee will be responsible, will also be responsible to the extent they can for the railway policy.

Sir, before I sit down, I would like to say one more thing. A word of apology is needed on my part for having taken so much of your time, and also for having taken so much of the time of this House, but I had to do it, because I am a Member who is not attached to any Party. Unfortunately, as I said in the beginning of my speech, Members in this House, who are organized, do not come to a proper arrangement among themselves as to the discussion of the demands for grants, with the result that the position of Members like myself becomes very difficult. The sooner a proper arrangement is settled, the better will it be for us all. But there is one word more about the form of the cut which is given

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): May I ask Mr. Joshi whether he has not had his opportunity of having his full say? I would ask Mr. Joshi whether he has not had ample opportunity of expressing his views.

Mr. N. M. Joshi: I had ample opportunity, but my difficulty is, I may not have the same opportunity of hearing the reply on all my points from the Honourable Member in charge of the Railways, which is more important from my point of view.

Sir Cowasji Jehangir: Is that anybody's fault in the House?

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Why does not Mr. Joshi join one of the organised Parties?

Mr. N. M. Joshi: I am entitled to express my views that the House as a whole should make better arrangements for the discussion of demands for grants

Sir Cowasji Jehangir: My friend, Mr. Joshi, has had ample opportunity to express his views, and he has no reason to suggest that any Member has troubled him: no Member has deprived him of even a minute. He has had an hour and a half, and he should have no reason to complain

Mr. N. M. Joshi: I have given my apology for it.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, in an atmosphere, surcharged with coal dust, it was rather difficult for some of us on Tuesday last to discern the issues quite clearly. Some of us thought that here was a token cut under the guise of a motion for the total abolition of the Railway Board, and while some of my energetic friends were urging the annihilation of the Railway Board, there were other gallant friends of mine who came to its rescue with the enthusiasm of that Knight errant who used to tilt against wind mills. While all this wrangling was going on on this side, I was wondering as to what thoughts were passing through the mind of the Honourable Member in charge, because he, of all men, is aware that the Railway Board, composed as it is of very estimable people, is already under a sentence of death. Only the sentence has yet to be formally pronounced, perhaps in the course of the next two or three weeks.

The Honourable Member, as a Member of the Government, knows the history of the proposal of the statutory railway authority, and it was only a few days back that the Secretary of State assured the House of Commons that the question of the statutory railway authority was going to be dealt with in the White Paper. Now, Sir, I have no desire, on the present occasion, to enter into the merits of that question. If the Honourable Member will take the trouble of looking up the proceedings of this House on the last two occasions, when this question came up in connection with the previous two Budgets, he will find various expressions of opinion on the point. Sir, the statutory railway authority will not merely bring about a fundamental change in the constitution of the Railway Board. It will also lead, as far as one can see, to a fundamental change in the relations between the Railway Department and this House. I have been a Member of the Central Legislature for quite a number of years, and, looking back, I find that the grievances which are brought forward year after year are more or less of the same type. The replies which are given from the Government Benches to our grievances are also more or less of the same type. The grievances are met sometimes by sympathetic replies, but no practical results ever ensue. This has been the position of affairs under a constitution when theoretically at least this Railway Department is supposed to be responsive, if not actually responsible, to this House, and I do not know what the position would be when a regular barrage would be erected between the House and the Railway Department under the proposed statutory railway authority.

Now, Sir, looking through the motions that have been given notice of by the Honourable Members of this House and comparing them with the motions of which notice was given in previous years, one discerns a great family likeness in all of them. What does that tend to show? If anything it goes to prove that there is no contact between the public at large and the Railway Department, between this so-called commercial department and its customers. That is the root evil of the whole thing and unless and until that evil is remedied, Honourable Members opposite are bound to be subjected to a pillory of this kind for four days every year, so long of course as the Statutory Railway authority does not come to their rescue.

Now, Sir, as the Honourable Member is aware, the Acworth Committee were appointed about 12 years back and the very valuable report of that admittedly expert Committee has been available to the Government for consideration all these years, and what do we find? Their

[Mr. K. C. Neogy.]

recommendations in so far as they led to the creation of new jobs, or to proposals of experimentation of various kinds involving heavy expenditure on the part of the Indian tax-payer, there was the greatest hurry on the part of the Government to give effect to them but what about those recommendations with regard to matters in which the public at large were concerned? What about the recommendations regarding the bringing of the Railways more in touch with public opinion? The Honourable Member will pardon me if I were to draw his attention to certain paragraphs of the Acworth Committee bearing on this point. He will find a lot of interesting material in paras. 139 to 142 of the report, and he will find that the Acworth Committee held that it is not enough that the Legislature should be given powers of effective control in railway policy. They said, furthermore, that the railways must be brought into closer touch with the public at large, with the customers of this huge commercial department. They made certain specific recommendations to some of which a casual reference has been made by my friend, Mr. Joshi. First of all, they pointed out that there should be a Central Advisory Council set up at the Centre for the purpose of advising the Railway Department in all the various important matters that came up from time to time for consideration. If the Honourable Member were to devote a little attention to what the Committee stated in para. 139 and subsequent paragraphs, he will find that, in constituting the Central Advisory Council the Government have not followed the recommendations made by the Acworth Committee, either in the constitution itself of that body or in the functions that were contemplated to be discharged by that Council. He will find that the Committee stated that the Member for Communications "would, of course, be Chairman of the Council and his duties in that capacity would be amongst the most important of the functions he will have to discharge". We have already heard from my Honourable friend, Mr. Joshi, that this worthy body met only once, I do not know for how many hours, and he has been corrected by a member of that body itself, my friend, Pandit S. N. Sen, that that body did not meet even once during one whole year. I can say from personal experience that the average sitting of the Central Advisory Council was about three hours in the whole year, and yet what was this Council expected to do? The Acworth Committee said that it should meet at Delhi at the beginning and towards the end of the cold weather. That is in para. 140. That is to say, they contemplated two regular sessions of this Advisory Council. I need not go into the details of the constitution which was proposed by the Acworth Committee for this body, but the Honourable Member will find how fundamentally it is different from the constitution that has been assigned to this body by one of his predecessors in office. I do not want my Honourable friend to give an answer straightaway on this point, because I am sure that if he were to do that he would merely have to repeat what the railway bureaucrats would want him to say. I have enough confidence in my Honourable friend to leave it to him to judge as to whether the action taken by the Government has been in substantial compliance with what was contemplated by this Committee, and whether the purposes that were contemplated of this Committee are being served by the Central Advisory Council as at present constituted. It is not, therefore, surprising that this House has for all practical purposes been turned into a Central Advisory Council. I think the Railway Department is not doing justice to itself or to this House by preventing the Central Advisory Council from discharging its proper functions and

thereby compelling Members on this side of the House to bring up questions of comparatively small importance to occupy the attention of this House.

Now, a word about the Local Advisory Councils. Here, again, the Honourable Member in charge will find that the recommendations of the Acworth Committee were substantially different from the constitution and the scope of functions at present discharged by the Local Advisory Councils. The Honourable Member, if he looks up his files, will find that it was not without great difficulty that it was possible for the Government to get some of the companies to agree to the creation of these Local Advisory Councils. If the Honourable Member were to go into the constitution of these various Local Advisory Councils, he will find that the constitution differs from one railway to another, and that it materially differs from the principles which were laid down by the Acworth Committee in this behalf. Here I have a letter from a well known member representing a commercial body on one of the Local Advisory Councils, and he has particularly requested me to read out what he himself thinks of the functions that were allowed to the members of that Council to be performed by the Agent. He says:

"I find as a member of the East Indian Railway Advisory Committee, that we are treated more as enemies than as friends by the railway bosses. Co-operation with them, therefore, becomes almost impossible. Would you kindly see that the Railway Board gives direction for better use of these Advisory Committees. The Agent of the East Indian Railway seems to think that we are there as most unwelcome but unavoidable intruders. This state of affairs must be cured."

This want of contact between Indian public opinion and the Railway Department is also very largely due to the fact that the management of the Indian Railways is in the hands of non-Indians. Indianisation has started at the top. You find today the Honourable Member in charge of the Department to be an Indian. We find our Honourable friend, Mr. Rau, in charge of the financial affairs of the Railways. Indianization has again started at the bottom, but so far as the principal appointments are concerned—Agents, Deputy Agents and other executive officers who really control the policy of the Railway Administration—they are yet non-Indian and, so long as this state of affairs continues, there shall inevitably be this complaint that the Railway Administration is not in touch with Indian public opinion.

Now, coming to another institution which the Acworth Committee recommended for the purpose of meeting the grievances of the commercial community—grievances which were voiced by so many commercial witnesses before that Committee with very great effect,—I refer to the proposal for the setting up of a Railway Rates Tribunal, what was done? Here again the Honourable Member will find when he goes through the papers that the body that was ultimately set up was a mere travesty of what was recommended. The Committee said that there should be "a cheap and expeditious Tribunal" to try cases in which charges of undue preference and other charges of a similar character were made. Now what was set up was neither cheap nor expeditious nor was it a Tribunal at all: it was a mere advisory committee and I speak from experience having been connected with at least one case which came up before that body and I say that the procedure laid down for the Committee was a positive discouragement to commercial people coming forward with their grievances. It is all very well now to point to the very small number of cases pending before this Committee and say that there is no justification for the continuance of this body but I submit it is not fair to pass a

[Mr. K. C. Neogy.]

judgment on the utility of this body, because you never assigned to that institution those functions that were contemplated by the Acworth Committee. Sir, if the House will pardon me, I will just briefly refer to the procedure that is at the present moment followed. If any party has any grievance in the matter of rates, he has to make an application accompanied by some fees to the Railway Board. The latter, in the first instance, goes through the matter with the Railway Administration concerned. That inevitably takes some time. Then, after correspondence has passed between the Railway Board and the Railway Administration concerned, over the complaint, after probably several months have elapsed the party concerned is informed that he can go up to the Railway Rates Advisory Committee. The matter is then referred to that Committee for advice. Then there is some inevitable delay sometimes in getting the case ready for hearing. Then, when the matter is gone through by the Committee, a report is confidentially made to the Railway Board. That takes several months. In the case with which I was connected, the time taken by the Railway to come to a conclusion on the recommendation of this Committee was very nearly one year. Now, is that any encouragement to any business man to come forward with his complaint? I should, therefore, feel justified in saying that the procedure adopted by the railway authorities with reference to the Railway Rates Advisory Council was deliberately intended to kill that body and to make it so unpopular with the commercial communities that they themselves would have nothing to do with it. Now, the question of the Railway Rates Advisory Council is of great importance in connexion with the proposal for the co-ordination of the rail and road traffic; and, in this connection, I do beg my Honourable friend to consider very seriously as to whether it would be right to do away with this body when we find that apart from the original intention of the Acworth Committee with regard to the functions of this body there would be the added necessity for such a body in connection with the proposal for allowing the railways to run their own motor services. As I had occasion to deal with this point more than once before in connection with the Indian Railways (Amendment) Bill I am not going to labour this particular point. Sir, I visualize the Railway Department as the largest co-operative organization in the world—an organization owned by the people, worked by the people, and existing for the exclusive benefit of the people. But the policy which the Government of India have been adopting from time to time with reference to this Department of public utility would, I am very much afraid, lead to this Department being classed almost among a foreign State, in a state of armed neutrality towards the Indian interests. That is the inevitable consequence, as far as I can see, if the proposal for a Statutory Railway Authority were to be adopted in its entirety. And may I, in this connection, remind my Honourable friend that his predecessor in office gave some kind of an assurance to this House that nothing would be done in regard to the setting up of a Statutory Railway Authority without giving this House the fullest opportunity to discuss the merits of such a proposal; and I should like to know from him as to what steps he proposes to take before the Government of India commit themselves to any course of action with reference to the creation of such a body.

Mr. F. E. James (Madras: European): Mr. Chairman, I merely want to refer to one matter which was discussed by Mr. Joshi in his lengthy

speech,—I noticed he immediately withdrew from the House, and I see he is not present to listen to the subsequent discussion. Mr. Joshi referred to the work of the Citizens' Committee in Madras in connection with the recent strike on the M. & S. M. Railway. I did Mr. Joshi the courtesy to give him several days ago copies of all the documents, the published documents in connection with that strike and in connection with the settlement thereof, and I am bound to express my great surprise that, in spite of that fact, he has not represented the facts as they actually are. I am glad Mr. Joshi has now returned. I am not concerned with the origin of the strike, Sir, nor am I concerned with the plea that the Government of India should have appointed a Conciliation Board. I am merely concerned with the work of the Committee and the position with regard to the alleged breach of the terms of the settlement. First of all, I would like to inform the House, and Mr. Joshi himself, that the Committee was not a self-constituted Committee; it was convened and constituted by the Sheriff of Madras, and it consisted of a number of gentlemen who, while they may not be experienced in trades disputes, are certainly experienced in the conduct of public affairs—three members of the local Legislature, one Muhammadan gentleman who subsequently became the Sheriff, the President of the Madras Corporation, a representative of the Chamber of Commerce and a representative of the Trades Association. By concentrated work for about five days, this Committee, together with the representatives of the Union and the representatives of the administration, arrived at certain terms of settlement on the issues on which the

strike was based which were accepted by both parties. Subsequently there was a hitch in regard to two matters which did not form any part of the basis for the original strike and, in connection with which, both the Committee and the representatives of the Union had, in our view, agreed were entirely out of the picture. But immediately the representatives of the Union suggested that these two points had not been settled by the Committee, the members of the Committee then in Madras,—some were absent,—informed the representatives of the Union that, if there was any misunderstanding whatsoever, it was not between the Union and the Agent, but between the Union and the Committee; and immediately individually members of the Committee assured the Union that the Agent had committed no breach of the settlement. Subsequently, when I returned to Madras, and other members returned to Madras, we immediately met, and our first duty was to assure the Union that there was no breach of the settlement on the part of the Agent and that we hoped that the Union representatives would withdraw their allegations as that would make a settlement of the outstanding points easier. After four days' more concentrated labour, we were unable to persuade the Union to withdraw their allegations, and I should like to read an extract from a communiqué which the Committee published. The two subjects, on which there was alleged misunderstanding, related to a surplus of men at Hubli and the replacement of a certain number of men at Arkonam. The Committee said that from the very beginning the Agent had made the position at Arkonam and Hubli perfectly clear and the Committee in their view had made also that position clear to the representatives of the Union who had accepted that position.

Mr. N. M. Joshi: May I ask my Honourable friend what grounds he has for believing that the Union accepted this position? Can he produce any written document to prove that?

Mr. F. E. James: I have documents in my possession which would, I think, convince any impartial tribunal that, as far as the Committee is concerned, they were satisfied that the position was made clear to the Union.

Mr. N. M. Joshi: Now it is a question of the House being satisfied.

Mr. F. E. James: My Honourable friend spoke for an hour and a half and I want to finish my speech in ten minutes. If he will allow me to get on with my speech, instead of interrupting me at every minute, I think he will get all the information he wants.

Mr. N. M. Joshi: By all means go on; but don't make wrong statements.

Mr. F. E. James: The position was made clear to the Union and in the view of the Committee the position was accepted by the Union. But, after consultation with the Union and going into the matter in very great detail, the Committee published a communiqué of which the following is an extract:

"With regard to Arkonam and Hubli there was no misunderstanding between the Committee and the Agent on these points and whatever misunderstanding there might have been was between the Committee and the Union to which reference will be made later. In the meantime the Committee desire to state that there has been no breach of the settlement on the part of the Agent and the charges which have been levelled against him have only resulted in making the settlement of the outstanding issues more difficult."

They further go on to say:

"The Committee are of the opinion that there was no basis for any misunderstanding about the surplus at Hubli and they made it perfectly clear that, while not all, the overwhelming majority of the men will be taken back. With regard to Arkonam, however, the Committee admit that there may have been a genuine misunderstanding on the part of the Union representatives, and, in view of their position, as intermediaries between the Agent and the Union, the Committee were prepared to reopen negotiations on this point and to use any influence which they might possess to secure a basis for agreement."

The question of Arkonam was the replacement of 63 men by the Railway Administration during the course of the strike. The leaders of the Union refused to withdraw their charge; and not only did they refuse to withdraw their charge against the Agent, but they continued to make that charge publicly in spite of the fact that the members of the Committee used all the influence which they possessed in persuading the Agent to go out of his way to meet the position at Arkonam. And I am happy to state that, in spite of the fact that the Union leaders have continued to level this charge against the Agent, and in spite of the fact that they have also levelled all kinds of charges against our Committee, including the charge of our being "a gang of treacherous liars", the Agent has agreed to take back the 63 men who were displaced, on a temporary basis. After the second communiqué of the Committee explaining the mistake had been published, the men returned to work on the original terms arranged by the Committee,—I want to make that perfectly clear,—and the strike, therefore, is at an end. I do not want

to say any more, because I do not want to make matters more difficult either for the Agent or for the leaders of the Union. I do want to say this that the members of the Committee had absolutely no axe to grind; they are unconnected in any way either with the Railway or with the Union; their predominant consideration was the welfare of the men and the desire to end a strike which was causing hardship to thousands of families. The position, as published by the Committee, is perfectly clear. It does not cast any blame on any particular person; it merely gives a fair and honest statement of the facts. It assumes responsibility where there was doubt as to whether there had or had not been a misunderstanding. I, therefore, think that, although I was connected with the Committee, I can claim that the Committee did its work well and that, as a result, peace was secured. If I have any further word to say, it would be a word of advice to Mr. Joshi and to those with whom he is associated.

Mr. N. M. Joshi: Why worry about Mr. Joshi?

Mr. F. E. James: Because Mr. Joshi is apparently a representative of labour in this House

..... to drop the charges of breach of ill-faith against the Agent.

Mr. N. M. Joshi: Sir, may I interrupt the Honourable Member? Did he hear me making any charge against the Agent or against him? And what is that charge?

Mr. F. E. James: I understood that Mr. Joshi was making certain charges against the Agent or repeating charges which had been made.

Mr. N. M. Joshi: Why don't you say what that charge is?

Mr. F. E. James: The charge of breach of faith in not fulfilling the terms of the settlement.

Mr. N. M. Joshi: May I, Mr. Chairman, ask him whether I made that charge? My speech is before the House. I said there was a written agreement.....

Mr. Chairman (Sir Hari Singh Gour): If the Honourable Member will read his speech, he will find it there.

Mr. N. M. Joshi: What I said was this, that there was a written agreement, and that written agreement has not been followed.

Mr. F. E. James: My last appeal would be to Mr. Joshi and his friends to use their influence with the leaders of the Union to drop a charge for which an impartial body of men has said there is absolutely no foundation. Only in that way, can a way be found for a better understanding between the workers of the M. & S. M. Railway and the Administration.

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadian): Sir, the most important point that I would submit in offering a few observations which I desire to make in connection with this cut (*A Voice*: "Yes, go on till morning.") regarding the Railway Board is that I have not been enlightened on the constitution of the Railway Board, its rules and powers, and the conditions under which it works. I have tried the Railway Board Office. I have not written to my friend, Sir Joseph Bhore, but I have tried all sorts of people and places in order to find out what their constitution and the powers were, so that I may be able to fix them with liability for not having done their work properly, but I have not been successful so far. Consequently, Sir, I am proceeding upon the assumption that the final supervision rests with the Railway Board in regard to the co-ordination of the work of State, Company-managed and Indian State Railways.

Sir, my first objection against the Railway Board is that they lack a great deal in the supervision of the Indian State Railways. Time after time complaints have been made that the Railways in Indian States have not been doing their work properly, and the reply that we can get out of them is that they have no control over them. What sort of control they have got I have not been able to understand. On one occasion they referred me to a paragraph in the Administration Report which contains two sentences but which does not go into detail regarding this. Sir, the management of Railways in the Indian States is not very satisfactory, and, if it is necessary to give instances, I could give countless instances and flood the House—as my Honourable friend remarked—till tomorrow morning. All that I would suggest and state, without fear of contradiction, is that the Railway Board has not exercised the supervision that it ought to have done in connection with the Railways in Indian States.

Then, Sir, the next point is about the policy regarding the purchase of stores. It was stated, when the Indian Stores Department came into existence, that the policy would be changed and that mostly Indian materials would be purchased and that Indian manufacturers would be given the first chance, for instance, in the construction of wagons and, generally speaking, the Indian industries would be encouraged. What happens? Every time a big order is given, it does not come to Indian firms, but only to foreign firms, and thereby the policy has not been fully carried out. Then, what is the Board doing? Whose duty is it to find out whether this has not been correctly carried out or not. A question was put in connection with an identical matter by my Honourable friend, Mr. Ramsay Scott, during the November Session. He asked whether the Commerce Department had any power to protect indigenous industry from foreign competition. That, Sir, with a little change applies also to the Railways.

Mr. Chairman (Sir Hari Singh Gour): How long is the Honourable Member likely to take?

Raja Bahadur G. Krishnamachariar: About 15 minutes, Sir.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Mr. N. M. Joshi: Sir, I rise to a personal explanation. When my Honourable friend, Mr. James, was speaking, he made a charge against me that I charged the Madras Citizens Committee of breach of faith, and that I also charged the Agent of the Madras and Southern Mahratta Railway with breach of faith. I said at that time that I made no charges; but Mr. James said that I did; and unfortunately, Mr. Chairman, you asked me to read my speech again. I have done so and, with your indulgence, I shall read only the relevant portion which will show that I made no charges

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member need not do it in a speech: if he did not make any charge, he may say so, and the Chair feels sure, Mr. James will accept his assurance.

Mr. N. M. Joshi: Mr. Chairman, I made no charges of breach of faith either against Mr. James or against the Agent. But let me say this, that after hearing the poisonous speech of my Honourable friend, Mr. James, I shall not hesitate to make charges which, when I have got an opportunity, I shall make.

Mr. F. E. James: May I just say one word? I am glad to know that my Honourable friend, Mr. Joshi, has withdrawn

Mr. N. M. Joshi: I have not made any.

Mr. F. E. James: I took the liberty—for, of course, this is an important matter—of finding out the exact transcript of Mr. Joshi's speech

Mr. N. M. Joshi: I have got it with me.

Mr. F. E. James: and I got the following words which I should like to read to the House.

Mr. Chairman (Sir Hari Singh Gour): There has been misunderstanding on one side or on both: it has been cleared up by Mr. Joshi's statement that he made no charge at all, and the matter must rest there.

Dr. Ziauddin Ahmad: On a point of order, Sir: may I request you to consider whether a time limit should not be enforced now, because one cut has taken a day and a half?

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadian Rural): On a point of order: It is a very nice suggestion, Sir; but as the House is in possession of this particular discussion, I wish we get over this particular cut before the point of order is raised.

Mr. Chairman (Sir Hari Singh Gour): Raja Bahadur Krishnamachariar.

1020

LEGISLATIVE ASSEMBLY.

[23RD FEB. 1933.]

Raja Bahadur G. Krishnamachariar: Sir, just before we dispersed for Lunch, I was on the question of the policy regarding the purchase of stores and its administration by the Railway Board. I said and I repeat it that they have not kept in view the policy laid down by the Government of India that as far as possible they must indent for these stores out of locally manufactured articles; that they have not done; and I can cite instances where large orders for steel rails, for building wagons, wheel bases, etc., have been placed over the head of the Indian industrial concerns, with firms in England

The Honourable Sir Joseph Bhore (Member for Commerce and Railways): Will my Honourable friend give me any instance, because I should like to look into the matter?

Raja Bahadur G. Krishnamachariar: I have not got the list here: I will certainly get it out, because they are in Hyderabad: I shall send for them and send it on to my Honourable friend. Then the next point that I shall simply touch upon is the question of Indianisation. The question of Indianisation has not proceeded at a sufficiently rapid pace; but what I am more concerned with is the training of Indians in the several workshops, so that in time they might take their places in the mechanical department. I submit, that has not been fully considered and given consideration to. Lastly, I would bring to the notice of this Honourable House the fact that the freight on agricultural produce has been raised and raised until it becomes almost impossible for us to export with any profit our little agricultural produce which has been dwindling down from year to year in consequence of the unfavourable season. I refer to the increase in freight on rice from the southern districts of the Madras Presidency to Colombo; and the same story comes from the ceded Districts as well as from Chittoor and other places. So, I submit, that the question of the freight on agricultural produce being a very important matter, the Railway Board has not taken any very serious notice of it or taken any steps in order to bring it down to a proper level.

Finally, there is only one thing to which I shall refer. It must have been noticed by all persons who read the proceedings of this Assembly that at least three-fifths of the questions that have been addressed were in relation to appointments in the Railway Department. I believe a Staff Member was appointed for looking after the staff of the various Railways; and if the number of questions asked is any indication of how they have been looking after the interests of the staff, I am afraid it must be stated that they have not done their work properly, with the result that, so far as this appointment is concerned, it was a useless job and consequently it might easily be brought under reduction. I submit, the whole of the Railway Board has absolutely no business to be there. A good many Departments and more important Departments and larger Departments are being run by a Member and a Secretary with a staff under the Secretary. Why should there be this Railway Board which does not consist of experts, which only consists of ex-Agents and all those persons who have been in the railway service alone? Why should the Railway Department alone have this Board which, I submit, is merely a fifth wheel in the coach and which, so far as I can see, does no useful work, but merely draw a good amount as pay and travelling allowances and saloon allowances and one thing or another and eventually draw up a report upon

which my Honourable friend, the Railway Member, has not been able to give any satisfactory explanation as to the troubles the Railways are visited with during the current year? Sir, that is all I have got to submit.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, my grievance on the allotment of days had been that too little time was allotted for the discussion of the Railway Budget. But now I have changed my opinion absolutely, and I think even if one year had been allotted for the discussion of the Railway Budget, we would not be able to finish the first demand in time. So, I think that it is very wise to give only four days which we can waste quite easily without great sacrifice of the public time. I have heard for the last two days—this is the end of the second day—and I wanted to listen and find out from the Honourable Members any causes or any point which they could make for the abolition of the Railway Board. The whole talk has been going on which ought to have gone on a token cut for the policy, but here we have got a substantial cut which wants to abolish the Railway Board, and I expect that the Honourable Members will confine their speeches to showing that this body is an unnecessary body and that there can be some other agency which can run the work in its place in a much better and efficient manner than the Railway Board has been doing. But, except long speeches on many complicated issues, there has been no substantial contribution to the debate. One Honourable Member spoke for nearly two hours, half an hour yesterday and for another hour and a half today and dealt with the question of third class passengers, and he wanted that first class bogies should be converted into third class. He also dealt with the question of labour, their wages, and so on. I do not know how all these things have any bearing on the motion before the House,—that is, the abolition of the Railway Board and the substitution of another agency in its place. The whole point that was made out by another Member was this, that it was pointed out last year by a certain Honourable Member that coal was not purchased properly and that, on account of some improvement effected in the system of coal purchase, about 20 lakhs of rupees had been saved this year. This Member's grievance was why the Railway Board acted this year on the advice of that Member, and so on. I never expected that two days would be wasted, and if the same trend goes on, I am afraid that the next two days also will be wasted on the first cut, and that we will never be able to reach

Sir Cowasji Jehangir: We will put the question.

Mr. Muhammad Yamin Khan: My friend, Sir Cowasji Jehangir, says that he will put the question after my speech is over, but I know that more than a dozen speakers are still anxious to address the House on this one demand

Mr. B. Das: May I inquire why you have got up?

Mr. Muhammad Yamin Khan: In order to stop the people who had been talking in the way they had been allowed to talk these two days, and just to tell them that they should not waste the time of the House. That is why I have stood up to speak on this motion.

[Mr. Muhammad Yamin Khan.]

Then, Sir, a charge has been levelled against the Railway Standing Finance Committee, and I should like to say a few words about it, and, I am sure, all Honourable Members, who sat in the Railway Finance Committee, will support me when I say that none of us have any grievance against the Financial Commissioner for Railways. He always readily and willingly considered our request, and he always most readily supplied us with the necessary material. There has been no lack of co-operation in any matter in helping the Members of the different Parties. We sat even on a Sunday, and, despite the hard work on week days, the Railway Financial Commissioner very readily agreed to accommodate the Members and sat with us on Sundays also.

There is really one grievance which has been expressed by certain Members and to which I would add my voice, and that is about the meetings of the Railway Central Advisory Committee. This Committee did not meet at all in the whole year, and there is no justification whatever for not holding the meetings of this body more frequently. There are many matters which should be discussed in the Central Advisory Committee, and if all the questions, which have been raised here on the floor of the House, had been discussed and decided in the Central Advisory Committee, there would have been no need to make so many speeches here. Since that Committee was elected last year, there has been no meeting held of that body. Therefore, no justification can be urged for not holding the meetings of the Central Advisory Committee throughout the whole year, and I do not think any convincing reply can be given by Members on the opposite side for their failure to hold a meeting of the Central Advisory Committee since its election.

There is another point on which I would like to say something, and that is the issue, the narrow issue, whether the Railway Board should be abolished altogether or not. If this motion is carried, then the result is, the Railway Board will go, but I would ask Honourable Members to think seriously

Mr. S. C. Mitra: We have thought seriously.

Mr. Muhammad Yamin Khan: If the Railway Board goes away, what is the other agency which can be substituted for it? Who will be responsible to reply to the series of questions that are put here? Can those questions be asked of the Honourable the Commerce Member only or they should be asked from the Agents of the different lines

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Then questions will also be abolished.

Mr. Muhammad Yamin Khan: What I would like to say is this. I find that year after year the charges which are made here on the floor of the House are really not against the Railway Board itself but they are against the Agents of the different Railways who are responsible for the working of the Railways under them. But, unfortunately, Honourable Members choose to waste all the four days on the question of the abolition of the Railway Board and do not care to see how the expenditure of 88 crores is justified. They only deal with the expenditure of 11 lakhs of

rupees, and they cannot cut such a substantial sum as will please them, nor can they bring to bear their influence on the Agents of the Railways, because their pockets will not be touched, and the only method by which these Agents can be made to feel and act on our criticisms would be to touch their pockets and the pockets of their Divisional Superintendents. That can be done only if Item No. 4 is taken up and not No. 1, because it is these Agents and Divisional Superintendents who are actually running the administration. They do not care to know what you talk here, they do not care to know what the recommendations of the Railway Board are. They, therefore, go scot-free, because they know that the Assembly cannot do anything to them. If Honourable Members were to concentrate on Item No. 4, then and then alone they can make their voice felt outside this House. If Members of the different Parties had arranged their programme in such a way as to make their strength felt, the position would have been different. Now, although a suggestion has been thrown out that the Staff Member should be retrenched, I feel that this Staff Member should have all the powers which are given to Railway Agents and he should be made responsible to this House, because he can be present here and answer all the questions or all the criticism which is now levelled against the Railway Administrations. Year after year certain policies are laid down and adopted and they are sent to the Railway Agents, but they do not care a bit for them. So, if the Staff Member is made responsible for all the Railway appointments and for the proper working of the Railway lines, then this House can hold this official responsible, and you can expect him to satisfy Honourable Members here. I think that, in future, excepting the menial service, all appointments should be made by the Staff Officer and the Railway Board, and he should be made responsible to this House, and no appointment below, say, Rs. 50 should be allowed to be made by the Railway Agents. All powers of the Railway Agents should be taken away, and there should be a Central body which should be made responsible to this House, and then alone there will be satisfaction.

Mr. B. Das: Will that be Haymanism or Calvinism?

Mr. Muhammad Yamin Khan: I do not care whether that will be Haymanism or Calvinism. I have nothing to do with personalities. If such an arrangement, as the one I have suggested, is made, then there is bound to be satisfaction in this House.

Mr. S. C. Mitra: Then what will the Chief Commissioner of Railways do all the time?

Mr. Muhammad Yamin Khan: My friend, Mr. Mitra, can talk about himself. The only point here is that the Railway Board should be abolished. I say, it is all right to abolish the Railway Board, but I would be the last person to delegate its powers to the various people sitting in Calcutta, Madras, Bombay and other places who cannot give me any satisfaction in this House. Therefore, I will not like that the Railway Board should be abolished, but that all the power may be concentrated in the Railway Board which should have larger powers and that the Agents should be deprived of these powers. With these words, I oppose this motion, as, I think, this motion has no legs to stand upon and it will be waste of time for Honourable Members to discuss this item on this Demand.

Bhai Parma Nand (Ambala Division: Non-Muhammadan): Sir, I was wondering when my friend, Mr Joshi, was emphasizing the point that Government should declare at once that they are going to give up this policy of racial discrimination. I find, instead of doing that, Government are going to intensify it and to make it permanent for all time to come and, on this point, I want to produce before you some remarks from the report which was prepared and published last year by Mr. Hasan. Mr. Hasan was appointed for that purpose and the Railway Board have now decided to consider that report and give their decision upon it. I think this policy of racial discrimination is one point on which I would like to condemn this Railway Board and, just to show that this policy has been encouraged and supported by the Railway Board, I would like to quote Mr. Hasan's report itself. On page 73, Mr. Hasan, talking of that policy of the Government, quotes in support of his view the Queen's Proclamation, which was thus:

"It is Our further Will that, so far as may be, Our subjects, of whatever race or creed, be freely and impartially admitted to offices in Our services the duties of which they may be qualified by their education, ability and integrity, duly to discharge."

This is a quotation from the Queen's Proclamation with which Mr. Hasan starts. I would ask this Honourable House to note the words:

"Our subjects, of whatever race or creed, be freely and impartially admitted to offices in Our services the duties of which they may be qualified by their education, ability and integrity, duly to discharge."

The words are quite clear that persons who are fit to do the work should be admitted, persons who are honest and capable of performing their duties. I want to put it to the House, supposing we adopt the principle of reservation of appointments on a communal basis, what will happen? There is a place vacant. There are three or four applicants. Two or three of them are graduates and one is a matriculate. The Agent, who selects the man, says to the graduates: "You cannot get this job, because it is reserved for a particular community". I would put it to you, does not this answer of the officer in charge go against the spirit as well as the letter of the Proclamation and is it in any sense consistent with that Proclamation? The idea of fixing a ratio of services on a communal basis is repugnant to the spirit and the letter of this Proclamation. But that is not all. Mr. Hasan goes on and tells us how this change has been brought about in the policy of the Railway Board. He says, after the reforms were introduced, the minorities, particularly the Muslims, insisted on having adequate representation and their due share in the services and, thus, in 1923, the Government gave an undertaking in the Legislative Assembly that they would attempt to prevent the preponderance of any one community in the services. This was the first step in 1923. Then, again, in 1925, he says, in pursuance of this undertaking it was decided that one-third of the vacancies should be reserved for the redress of communal inequalities. Thus, 33 per cent. reservation was the step that was taken by the Railway Board as announced in this Legislative Assembly and, so far as I remember, the silence or rather the weakness of the Hindu Members of this Honourable House gave an impression to the Railway Board that they were a consenting party to the introduction of this new principle in the recruitment of railway services.

I think the very question of reservation in public services is dangerous in principle. It is denationalising in the sense that it shows favour to

one class of people at the cost of another class, because you cannot show favour or give a concession to one class of people without showing disfavour to another class.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): You are not satisfied with two-thirds?

Bhai Parma Nand: Two-thirds are not being given to us or to the Hindus whose cause I represent.

Mr. M. Maswood Ahmad: To whom is it given?

Bhai Parma Nand: You will see that when I give you the figures. I shall come to that.

Then, Sir, it is dangerous in this way that it creates a poison in the body politic of a nation by separating the communities for ever on the basis of separate interests.

When in the early days the Congress began to appeal to the Government to open all services to all Indians, their case was entirely different from the agitation that has been taken up now by our Muslim friends. What the Congress wanted was that all kinds of services and, especially, the civil services should be thrown open to Indians and should not be confined to the one ruling community. Their point was that everybody should be free to make his choice which meant that no legal restrictions should be placed and that everybody should be given facilities for joining any service he liked. In this way, Sir, so far as the democratic form of Government goes, I think it is quite fair for the Muslims or other minorities to claim that they should have all opportunities given to them. Sir, I do not think that all people are equal. They are made unequal and perhaps they have to remain unequal, but there is one thing, which it is in the hands of the Government to do, and that is to provide full opportunities for every class of people to rise to the position that they aspire to. In this way chances and opportunities should be given to every people, and "giving opportunities for admission into the services" means, as I understand, to open schools for them, to give them, where necessary, free education, so that they may fit themselves and become efficient for a particular kind of service. It was on this ground that the Congress and other politically-minded people claimed that they should have free competition and they wanted that the Indian should be allowed to compete with the Englishman even in Civil Service Examinations. So their point of view was entirely different; what they claimed was a fair field and no favour. No Congressman ever claimed that certain posts in the Civil Services or in any other Departments should be reserved for Indians. In this way I would say that equal opportunities and facilities should be provided to all minorities, including Muhammadans, to make themselves fit for any kind of service they like, but, further than that one cannot go. The reservation of appointments, in disregard of adequate qualifications, is a principle which is most dangerous to the administration of any country.

Mr. S. C. Mitra: It runs counter to the Queen's Proclamation also.

Bhai Parma Nand: Sir, I am compelled to talk on this subject, simply because I have noticed on the order paper certain motions on this point raising the question of the paucity of Muslims in the railway services.

[Bhai Parma Nand.]

Not only that; there is given out in today's papers that the Muslim Members of this Honourable House have been thinking for a long time on this subject and that they have drawn up a memorandum to be presented to the Railway Board and, that, in that memorandum, it is said that although the population of Muhammadans in the areas traversed by State-managed Railways is 40 per cent., their proportion in the railway service is only four per cent. Now, Sir, I do contend that those figures are wrong and the impression created in the minds of our Muslim friends is wrong as well, and I want to prove that today to the satisfaction of the House.

Mr. K. Ahmed: Mr. Rau is strong enough to answer that. What is the use of your wasting time? (Hear, hear.)

Bhai Parma Nand: It would appear that the reservation of 33 per cent. for the making up of communal inequalities was not satisfying our Muslim friends. They urged it on again, and I find in the speech of Mr. Hayman, when he was questioned again and again as to "what are you going to do if you are really out to increase the percentage of the Muslims", he answered:

"We are going to see that our subordinates in the lower grades of all classes and communities, particularly the Muslim community which is not properly represented in the upper grades, are taken into our training schools and given proper technical training so as to fit them in the quickest possible time to fill the higher posts that fall vacant."

That was the argument put forward by Mr. Hayman and, I think, he was quite right in saying that men who wanted service in the Railways should be given proper training facilities and that, in the quickest possible time, so as eventually to fill the higher posts. But, then, Sir, even this was not enough. Our Muslim friends went on persisting, and, naturally, as Mr. Hasan says that they wanted that some officer should be appointed to inquire into their grievances and to find out the ways and means to gain that end, and Mr. Hasan was chosen for this purpose. He says:

"My terms of reference were:—

(2) To advise and assist the Agents and other controlling authorities in the introduction of such arrangements as may be necessary to secure the fullest compliance with the policy of Government regarding the adequate representation of Muslims and other minority communities in the various classes of non-gazetted establishments."

This, Sir, was done, and Mr. Hasan has drafted the Report that is now under the consideration of the Railway Board. But our friends are not satisfied even with this; they want to have another organization, another Committee of the Railway Board which should always look into these grievances and find out remedies.

Sir, I want to draw the attention of this House to another point. This is the time of retrenchment. We know it for a fact that the Hindus all over the railway services have been retrenched while Mussalmans, who were far junior, who were taken in as temporary clerks, have been kept, and, in spite of this fact that retrenchment is going on and no new men are being taken, and in spite of the fact that the Hindus are the worst sufferers, and that, practically speaking, this retrenchment has affected

most adversely the Hindu clerks and other employees on the Indian Railways; our friends are clamouring that certain things should be done for the Muslims, as if they want that the people who have done all this work in building up the Railways should at once be sent away.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): What about the Anglo-Indians?

Sir Muhammad Yakub: We were told that it was the Anglo-Indians who were the builders of the Railways; now you are the other builder of the Railways!

Bhai Parma Nand: Sir, I welcome the views that were expressed by my Honourable friend, Sir Henry Gidney, the other day, when he put forward the case of the Anglo-Indians in a very reasonable and excellent way. I think not only he, but Mr. Hasan himself, supports that position, and I shall quote from Mr. Hasan's report

Mr. K. Ahmed: Sardar Sant Singh is here now—what about the Sikhs?

Bhai Parma Nand:

"The reasons for the preponderance of Europeans and Anglo-Indians are obvious. They took to Railway service earlier than other communities and not only showed special aptitude for certain branches of Railway service, but Railways were one of the few Departments of Government where they were largely employed."

I say, he admits that the Anglo-Indians and Europeans did great service in the building up of the Railways. I say, this very argument, which has been ably put forward by Sir Henry Gidney, equally applies to the case of the Hindus. (*Lieut.-Colonel Sir Henry Gidney:* "Hear, hear.") Sir, when the Railways were introduced into India, it was the Hindu clerks, it was the Hindu engineers and it was the Hindu doctors that did the pioneer work and it was they that brought the Railways along with others to this point.

Diwan Bahadur A. Ramaswami Mudaliar: On a point of order, Mr. Chairman,—the House is getting itself into an absolute muddle, because of the way the discussion is going on on this motion. No possible issue can be clarified and no decision can be taken on any of these issues if this general discussion is to continue on a specific Demand like this.

According to the Standing Orders, Mr. Chairman, one of the points is that the speech should be relevant to the issue. If it were a token cut, one could understand many of these things, but this is a specific cut that the Railway Board should be abolished. Honourable Members, who are putting forward various grievances, are not even winding up their speech with the suggestion that they support the abolition of the Railway Board. In this particular case, there is a motion lower down which suggests that the grant may be reduced by Rs. 100 to discuss the question of the representation of various communities in the services. I ask you, as the temporary guardian of the privileges and rights of this House, to see that these issues are raised on specific cuts of which notice has been given and which find a place in the order paper, rather than have a roaming discussion like this which will lead nowhere and will satisfy nobody and which cannot possibly be brought to an issue by a vote of this House. You find

[Diwan Bahadur A. Rameswami Mudaliar.]

that, in the order paper itself, there is a specific motion to that effect and there are chances of its being reached. Now that this issue has been raised, I see from the faces around me that this discussion can easily go on for three months more. It seems to me that the time has come when I would appeal to the Chairman to take whatever power is necessary in his hands and see that issues are raised which can be brought to a conclusion by a vote in this House and not allow the discussion to roam in this manner.

Mr. K. Ahmed: Example is better than precept; your own Party is doing it. (Laughter.)

Mr. Chairman (Sir Hari Singh Gour): The Chair unfortunately has no discretion in the matter. The Chair convened a meeting of a few leading Members for the purpose the Honourable Member has in view, but as there was no unanimity, the matter had to be dropped. It is too late now to restrict speeches as they have gone on for two days on the general policy and administration of the Railways.

Bhai Parma Nand: I thank you, Sir, for guarding my right of speech. I understand Diwan Bahadur Mudaliar's point was raised by Mr. Ranga Iyer yesterday and I suppose this was taken as a token cut and, therefore, I am speaking from that point of view.

Sir, in the beginning of the British administration, there were classes of Indians, some took to clerkships and others to military service. The latter served the British army and extended the British Empire in India. They won the victories for the British people on the field of battle. Similarly, there were other classes who took to education; they went to schools and studied language and arts, engineering and medicine.

Mr. M. Maswood Ahmad: Does my Honourable friend oppose the present policy of the Railway Board as regards the services?

Bhai Parma Nand: I condemn the Railway Board for their policy.

Mr. Muhammad Yamin Khan: May I ask whether the speech, which my Honourable friend is delivering, is relevant to the motion which is for the abolition of the Railway Board, because they have pursued a certain policy? How does he make his speech relevant to the present issue?

Bhai Parma Nand: I want to condemn the Railway Board for their wrong policy just as other speakers have done.

Sir, Mr. Hasan himself divided the Railway service in three different orders: first, transportation; the second, engineering; and the third, medicine. Transportation is of two kinds, one in traffic and the other in power. In traffic transportation, we have got Station Masters, Signallers, Assistant Station Masters, etc., while in engineering we have Civil and Mechanical Engineers, Plate Layers, etc. And in medicine, there are doctors, Sub-Assistant Surgeons, nurses and other employees. All these positions require some skill and training and the question is whether those who are holding them can be so easily supplanted as to divide services in a proper proportion. Sir, I was talking about the competency of the

people of different classes. One class went into the army, and another class took to education. If we say that the Hindus should be taken into the army, the Army Member gets up and says that they are not efficient. The same argument applies to these Railway and other services. I quote from Mr. Hasan himself. On page 95, talking about the Accounts Department, he says:

"It will be seen that 94.41 per cent. posts went to non-Muslims; Madras securing 46.85 per cent. of the total posts. There are perhaps greater facilities in Madras than in any other province for preparing in the subjects that form the syllabus of the examination. In any case for Northern India, where most of the Muslims come from, the syllabus of the examination is apparently unsuitable. The average matriculate here gets no training in book-keeping and the inclusion of this subject as well as the insistence on a higher standard of mathematics has, I have been given to understand, stood in the way of larger recruitment of Muslims in particular and Northern India men in general."

Then, at the end, he says:

"It is evident, therefore, that unless the rules are suitably amended, there is not much chance for the Muslim representation in the Accounts Department to increase."

The suggestion is that all these subjects should be abolished from the examination so that the Muslims should be allowed to get an easy pass.

Now, Sir, if the same argument would hold good in the case of the Hindus, I would suggest that the Muhammadans should increase their efficiency and competency, and by all means the Railway Board should welcome them to various kinds of services. But, after all, the Railways are run on business lines, and, to have this kind of communalism and reservation of appointments in the Railway services is the least desirable thing. The main objection that I have to this report is that Mr. Hasan has classified Railway service into three kinds. One is the higher service, the other is the intermediate, and the third is the inferior or lower service. Higher grade service he does not touch and lower service he also does not take up. He deals only with the intermediate class, that is, the subordinate services and attempts to find out a proportion for the Muhammadan community. I suggest, Sir, this is not the right course. This report is incomplete in this respect, because, as far as means of living is concerned, the lower service is just as valuable to these people who are employed in the services as the intermediate or higher service. I take, for instance, the case of the Lahore Workshop where there are about fifteen thousand working men, and among them there are people getting Rs. 300 p. m., men getting Rs. 30 p. m., also Rs. 100 p. m., and if the proportion is to be permitted by the Railway Board, then I would say that this proportion should be kept up in Railway Workshops and also in all kinds of lower services, so that the Hindus should have a share in those services as much as the Muslim friends want in the subordinate services.

I now turn to the main report itself. The fundamental principle contained in the report is entirely wrong. On reading through the report it would appear that the recommendations make very modest claims for the Muslim community, and apparently they seem very reasonable, but, if you look a little more deeply into the report, you will find that this is full of fallacies and impracticabilities. The most important fallacy, of course, as I have said, lies in the suggestion of reservation of very high

[Bhai Parma Nand.]

proportion for the Muslim community, though Mr. Hasan himself says at page 78 the following:

"On population basis, it would not be unreasonable to fix an all round percentage of 25 per cent. for Muslims, but certain practical difficulties are likely to arise in this connection."

He admits so far that an all round basis of 25 per cent. is most reasonable for the Muslims, but he visualises certain practical difficulties. Now, what are these practical difficulties. The practical difficulties are that although Muslims are to be found in every part of the country, they predominate in certain parts, while they are in a minority in others. Therefore, it is difficult for the Muslims to expect to have this proportion where the population is less than that of the Hindus. He points out further that where the State-managed Railways traverse, the population of Muhammadans is 38 per cent. Therefore, on this ground, the Muhammadans insist that they should get, if not 38 per cent., at least 35 per cent. in areas through which the State-managed Railways run. What I want to point out is that this principle is impracticable and should in no case be adopted, but, if we have, on the insistence of our Muslim friends, to fix a ratio of appointments for them, then I think it would be only possible if we fix such a ratio or proportion on a population basis. This population theory has been discovered by our Muslim leaders themselves. It is not a Hindu theory. The Hindus never wanted any kind of separate rights as distinct from the Muhammadans. Taking this theory of population basis, they cannot claim more than 25 per cent. in these appointments.

Then, take another argument advanced by Mr. Hasan that because the State-managed Railways traverse through certain areas in Bengal and the United Provinces, where the Muslim population predominates, therefore the Muslims should have a larger proportion of posts. I am not able to understand that argument. Is it contended that the State-managed Railways carry passengers of these areas only and that they do not carry passengers from other parts of the country? Mr. Hasan divides the country into two parts: one, which is traversed by State-managed Railways and the other, traversed by Company-managed Railways. It is not merely the areas traversed by the State-managed Railways that contribute largely to the earnings of these Railways, but those areas traversed by the Company-managed Railways too contribute their share. Thirdly, Mr. Hasan says that the Company-managed Railways are not under the control of the Government. That, again, is an absurd proposition. The Company-managed Railways are as much under the control of the Government as the State-managed Railways.

Lastly, I want to show, from the very figures that are given by Mr. Hasan in his book, that at present the Muslims are not four per cent., but 20 per cent. in the Railway services as a whole. Taking all provinces and both the systems of Railways together, I want to point out one thing that the Muslims have got 25 per cent. in the Railway services as a whole in the subordinate staff, and, therefore, they should have no cause to complain.

Dr. Ziauddin Ahmad: What is the Honourable Member's authority for saying so?

Bhai Parma Nand: Page 48. In the Eastern Bengal Railway, the Hindu percentage is 76.47: the Muslim percentage is 14.9.

An Honourable Member: Is it 20 per cent.?

Bhai Parma Nand: I said it was the average: please be patient. One more thing: when Mr. Hasan talks of Bengal Railways, he says that is a very low figure in a province where the population of Muslims is 55 per cent. I want him to find out the proportion of the literate population of Muslims in that province. Let us find out how many Bengali Muslims are fit for this service in the subordinate staff. If they are not fit, how can you expect them to be 50 or 30 per cent.? I think even 14 per cent. is creditable to the Muslims of East Bengal. (Interruption.) Let me finish and then you can talk afterwards: you will have time to contradict me. Mr. Hasan is satisfied with the position of the Muslims in the Punjab: there they took to education and have advanced and they have got their share. Similarly time will come when the East Bengal Muhammadans also will be going to schools, get education, and then seek their share, and their share will come to them. But to attempt to supplant the existing men is neither reasonable nor right. Coming to my point, I have to add that there are others which form 9.44 per cent. My point is this: the Muslims can claim to have the ratio of one-fourth of the Hindus alone and not one fourth of the whole, because, ten per cent. goes to Europeans, Anglo-Indians and others. Let them fight for their share with the Anglo-Indians and Europeans. The Muslims form one-fourth of the Hindu population and, therefore, according to this percentage, their share, instead of 14.09 comes to 15.5 of the Hindu share in the Eastern Bengal Railway. Then, I come to the North Western Railway.

Dr. Ziauddin Ahmad: On a point of order, Sir: I strongly protest against wrong figures being quoted in the Assembly. The Honourable gentleman quoted from page 48 figures which are not there.

Mr. Chairman (Sir Hari Singh Gour): That is not a point of order.

Bhai Parma Nand: They are given in the book. The total percentage of Hindus is 57.57 and the Muslims is 24.98, while the others are about 15 or 16 per cent. Therefore, taking a third share, it comes to 30 per cent. in the N. W. R. In the G. I. P. R., the Hindus are 64.12, while the Muslims are 10 and the others 25 per cent. Excluding this 25 per cent. of Europeans, Anglo-Indians and others, the Muslims have got 13.3 per cent. of the Hindu share. In the E. I. R., the Hindus have got 67.36 per cent, while the Muslims have got 17.47 per cent, and others 15.23 per cent. Excluding this 15.23 per cent, the Muslims have got 20.6 per cent. of the share of the Hindus. Thus, taking the average of all these four Railways, the Muslim share comes to 20 per cent, in the subordinate grades. That is the point I wanted to make. But you must read all this with the other conditions, that the Hindus have been in this service from long before, that they have got education, that they have been serving the Railways in all these departments as Engineers, as Doctors, as Surveyors, as Drivers and in other capacities—taking all these points, I think, the Muslims can be increased by five per cent, if it is

[Bhai Parma Nand.]

shown that, on both the systems, their proportion is less than 25 per cent. I have no objection to that being done throughout the country on one condition that it should be introduced gradually.

I have already said that the Company-managed and State-managed Railways, taken together, have even now 25 per cent, but only on the State-managed Railways it is 20 per cent: let them have an additional share of five per cent, if the Railway Board wants to give them; but this is not the time for turning out all the Hindus and depriving them of their bread. They have been devoting their lives and energies for generations to the building up of the Railway system and now, just because the Muslims want a little bit more, because, in the Assembly here they can make a clamour over their imaginary grievances, therefore we should at once have the whole demands conceded and increase the Muslim employees at one bound is most unfair.

In several offices, from time to time permanent Hindu employees have been driven out, while temporary junior Muslim clerks have been retained in service. With such things going on, I do not think that the Muslims have any grievance against the Railway Board. If any one has any grievance, we Hindus have got it, and it is not only in connection with the fixing of this ratio. Our grievance mainly is that you have got this communal ratio in the Railway services where you should have it least of all since it is purely a commercial and business concern. Those, who are more fit for commerce and business, should have a greater share and should be given a much greater share, and their past services in the department should be recognised. Of course when new recruitment is made, Muslims have got their rights if they so wish. I do not see much reason in it, but still, if they insist upon it, they can have their position increased. Therefore, on these grounds, I condemn this Railway Board for adopting this policy and for spending about Rs. 25,000 on the pay of this gentleman, Mr. Hasan, who has written this report simply for perpetuating communalism and showing a spirit that is purely anti-Hindu.

Mr. B. Das: Sir, if I intervene in this motion, it is because I feel this is the most appropriate motion where I can discuss and bring to the attention of the new Indian Railway Member the maladministration of the Railway Board. I congratulate my friend, Mr. Neogy, on his very mild speech with which he covered the ground and took my Honourable friend, Sir Joseph Bhore, from point to point. I know, my friend, Sir Joseph Bhore, is an old Member of the House, but he might not have taken note of the fight that went on on the floor of the House for the last eight years and of the charges that were levelled against his predecessors. After having become the Railway Member and having taken leave to visit foreign countries and being occupied fully with the Ottawa Agreement and also the dancing attendance of the millionaire beggars of Bombay who come with their begging bowls, it might turn the head of any man; and I believe my friend, Sir Joseph Bhore, has lost his head as the Railway Member to his other half—the Commerce Member—and he has forgotten to discharge his duty as the Railway Member. I shall have ample occasion later on to remind my friend, Sir Joseph Bhore, of his duties as Commerce Member, how he should not be frightened by the threats of the Bombay beggars who approach him with top hats and in the Bond Street suits for concessions to the mill industry. That occasion will come again and again.

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muhammadan): Where is Mr. Mody?

Mr. B. Das: Mr. Mody is gone with his begging bowl to some other place and he will appear here when he has to beg before this House.

Now, Sir, before my friend, Sir Joseph Bhore, drafted his speech to be delivered here, I do not think he had appreciated all the criticisms that were made against the Railway Board for the last two years. I have gone through his speech and I could not find one word to show that he had appreciated the criticism which the Opposition levelled against the maladministration of the Railway Board. It was in 1929 that I raised the cry of retrenchment in the Railway Board. I was left in the cold then, but the time soon came when the Railway Board was compelled to submit to a searching inquiry by a Retrenchment Committee. We know what the Retrenchment Advisory Committee did. We know how Mr. Shanmukham Chetty and Dr. Ziauddin Ahmad worked, but they could not discharge their duties to their satisfaction, they felt themselves incompetent (Hear, hear) to apply the axe of retrenchment to the Railways, and the all mighty Government of India had to hunt for an expert in Canada. My friend, Sir Guthrie Russell, in the other House said:

“Look at the splendid management of the Canadian Pacific Railway.”

I wish my friend, Mr. Rau, a great financial expert as he is, will tell us how, under the mismanagement of that gentleman who was to have come out as an expert

Mr. P. R. Rau: My Honourable friend is confusing the Canadian Pacific Railways with the Canadian National Railways.

Sir Cowasji Jehangir: That is nothing very much.

Mr. B. Das: But is it not a fact that that gentleman was going to be the Chairman of your expert Committee?

Mr. P. R. Rau: The gentleman whom my Honourable friend is referring to was connected with the Canadian National Railways which are altogether different from the Canadian Pacific Railway.

Mr. B. Das: Why did not the Financial Commissioner come out with a contradiction, why did he not deny that statement, because statements appeared in the public press. (Mr. P. R. Rau shook his head.) I cannot accept such denials.

Mr. P. R. Rau: I believe, Sir, that statement was denied on the floor of this House.

Mr. B. Das: Do I take it then that the Government of India never negotiated with that gentleman to be one of the members of that expert Committee?

Mr. P. R. Rau: An answer was, I think, given on the floor of the House last September that there was no foundation for the statement that Sir Henry Thornton was coming here as Chairman of the Retrenchment Committee or of any other Committee.

Mr. B. Das: Yes, because when the Ottawa Delegation visited Canada, they found out the truth about that gentleman. Of course, on account of the Ottawa Pact the capitalists will get more from that protection . . .

Mr. N. M. Joshi: Are you not a capitalist?

Mr. B. Das: No. I am an employer, and not a capitalist.

Sir Cowasji Jehangir: Are you an employee? Are you a capitalist?

Mr. B. Das: I am an employer, but not a capitalist.

An Honourable Member: He is on the way of becoming a capitalist.

Mr. B. Das: My Honourable friend, Sir Joseph Bhore, who happens to be the Commerce Member, ought to know the first essentials of commercial principles. No commercial undertaking can go on indefinitely at the expense of the tax-payer as the Railways are doing. But why does my friend keep quiet? He knows it, because he is a party to those secret despatches that are passing between the Government of India and the Secretary of State, and to which my friend, Mr. Neogy, alluded only this morning. My friend, Mr. Neogy, also raised a debate last year on the passing of the control of the Railway Board from this House to a statutory body. My friend knows it. He wants to hoodwink this side of the House, and after a year,—no, not after a year, but thirty days hence or after the 20th of next month when the so-called white paper will be issued—the public will find a complete scheme turning the Railway Board into a statutory railway authority where the Railway experts, the Chief Commissioner and others will find a place. I do not know if my friend, Mr. P. R. Rau, will still find a place in that hierarchy or whether it will be a place for Europeans and others particularly for the followers of my friend, Colonel Gidney, who spoke with such gloating language today after gaining every reservation for his community in the Round Table, and, through the Statutory Board, in the Railways. I wish my friend, Sir Joseph Bhore, had taken us a little nearer to his heart. He has not done so. He is pre-occupied. I do not know whether he will deliver another Budget speech as Railway Member, and if he delivers another speech, perhaps he will say: "Oh, gentlemen, this has been ordained." Here I ask my friends, the Round Tablers, what did they do? I want every one of them to rise after I sit down. What fight did they put up in the Round Table Conference to see that the Railway Board was not made into a statutory body

Sir Cowasji Jehangir: We have fought for your Orissa.

Mr. B. Das: My friend, Sir Cowasji Jehangir, says that they fought for Orissa, and I am very grateful to him. He was a Member of the Federal Finance Committee, and I express again my gratitude to him for the help he gave to get my Orissa separated. I am grateful to all who have helped me, but I want to know what fight did they all put up against the attempt to make the Railway Board into a statutory body by removing the control of this House, because the European hierarchy will go on perpetuating the mismanagement. I have not yet heard even one friend of mine raising this particular question. My friend, the Finance

Member, is not here. Railways are not contributing anything to the general finances for the last three years. I want to know from the Financial Commissioner or the Railway Member whether this sum has been funded as a debt to the Railway, because, if you do not do it, next year or after 20 days, my friend, Sir Joseph Bhore, will rise and say "Gentlemen, Railways have been ordained to be under a statutory body". So the 18 crores that the Railways have to contribute by the ukase issued by Samuel Hoare and by the British Government have to be written off. The conspiracy has been going on behind us, but I do hope, as my friend, Mr. Neogy, reminded us, when the White Paper will be published, my friend will give us a special day and bring out a definite motion before this House to consider the subject whether the future administration of the Railways will be by the Statutory Board.

I have so far discussed the future, but I will now discuss the present maladministration. I do not think that an expert Committee is necessary. I do not think that Pope is necessary to give his pontifical ukase as to how Sir Joseph Bhore or Mr. Rau should conduct the Railway Administration in this country. Why does not my friend, Sir Guthrie Russell, take a leaf from the book of my friends, the European Group, who have reduced the salaries of their staff by half in Calcutta and Bombay? Why should the Railway Member and the Financial Commissioner be afraid of the bogey—"security of services"? In order to give security to a few in services, the tax-payer is mulcted. Why don't you tell the Agents of Railways: "If you don't make the Railway Budget balance, you must go."? The Honourable the Railway Member might say that he is bound hand and foot by certain regulations and rules to which he was no party, but which were framed by the Secretary of State. No Member of the Government of India can be sacked. He has only to assert himself. It has been suggested "why not combine the Lead offices of two State Railway Companies". I made a similar suggestion during the time of Sir Charles Innes, and what did he say? He said: "We are aiming at decentralisation. How can we centralise?". The real meaning is that they were providing more jobs for the unemployed Europeans who had come out after the War. They were also trying to provide employment for the railway manufacturing firms in England that were then idle. How could Sir Charles Innes go in for retrenchment? He had as his adviser Sir Clement Hindley. I recollect the expression which my friend, Mr. Neogy, once used "His Haughty Highness Mr. Hindley". He was not then Sir Clement. I met him at the High Commissioner's reception in London. I understand he is controlling a race course in England. He was a railway expert once in India and now he controls the gambling in race courses in England. Under the guidance of these so-called experts, Government have squandered 200 crores over capital expenditure and Government, after 1924, increased their working expenditure by nearly 20 crores. Today they have brought it up to 65 crores. That would not satisfy anybody. If it was Company-managed concerns, the shareholders would not permit it. Even the Company-managed Railways have become extravagant through your system of guaranteed dividend that exists. They know the system of guaranteed dividend is such that Government must foot the bill. It is not the Government of India who pay, but it is the tax-payer. I think if the Government of India mean to be honest, then they must apply the axe vigorously. They may not have so many Anglo-Indian guards or so many Anglo-Indians in the refreshment cars. They may not have so many beautiful red-banded officials walking in every station. They have got to make both ends meet. They are mulcting

[Mr. B. Das.]

the people for their extravagance in order to keep a few people in their posts. I again repeat my appeal to Sir Henry Gidney and Mr. Joshi to tell their followers that the time has come when they must accept a lower scale of salaries. The present standard of life in the country has gone down very low. Why should people, under the name of trade unionism, demand a higher rate of salary than is warranted by the condition of the industry? For the next two or three years, there should be no idea of development of new lines. All ideas must be centred on retrenchment and no benefit has come to India or to the tax-payers as a result of the schemes that were inaugurated after 1924. It has resulted in duplication of establishment. Let us go back to the old condition and combine the offices. Your so-called efficiency is a myth. The so-called speed experts want more locomotives from England. Whether it is the Tata Steel Co. or the Palmer group,—I do not care who receives the orders.

They wanted to increase the speed of the mail train. The 75 pound or the 90 pound rails would not do. They wanted the 120 or 150 pound rails. The speed expert went on designing new locomotives, but what happened? The scheme of prolific passenger traffic and goods traffic, which started the idea, collapsed and crashed. I take it that my friend, Sir Joseph Bhore, has read the report of the Public Accounts Committee. I do hope he has also read the report on Appropriation prepared by the Director of Railway Audit and the Chief Accounts Officers. There he will find a reference to the mad scheme of electrification in the G. I. P. Railway. What happened there? The so-called experts—I wish I could hang them all—what did they do? They have ruined everybody. The Consulting Engineers in England are drawing fat fees and they are not worth the money which is paid to them.

When this electrification scheme was formulated, they advised that there would be a big saving on the Great Indian Peninsula Railway. Not only that, but that a large number of locomotives would be released for use in other Railways. Did my Honourable friend, Sir Joseph Bhore, find that these locomotives, that were designed by the locomotive experts in the Railway Board and that were then manufactured, could not move about, but were lying in the sheds of the Great Indian Peninsula Railway? Sir, my friend is burdened with a very onerous task. I do hope that when next time we meet in Public Accounts Committee he will find it convenient to attend the meetings when Railways would be taken up. Of course, I recognise that his position is that of a Cabinet Member, but I do hope he would look into the discussions on Railways at least for the three previous years on the floor of this House, and the discussions in the Public Accounts Committee and see how the maladministration of the officials has all along been exposed and how, whenever we inquired as to what happened to that electrification scheme, the reply given was: "Oh, he has gone on leave", and "He has retired", and so on, as if with all their power this mighty Government have no power to stop even one rupee out of the huge pension and the huge Provident Fund balances that these so-called prophets and experts earned through working for India's interests? If any of them are alive or are living in India, can they place their hands on their hearts and say that they did all this only in the interest of India? Sir, they would not appear

to have done all this in the interest of India; they merely wanted to experiment and they wanted to place large orders in England when the English industrial concerns were starving. (Hear, hear.)

Sir, as my friend is the first Indian Railway Member with a certain knowledge of the industrial development of the country, I ask him to look at another aspect of the question. The Railway Administration has in India never encouraged Indian industries to develop. It is high time that with the experience which my Honourable friend, Sir Joseph Bhore, possesses, he will direct the energies of the Railway Board and the Railway Administrations properly so that they shall buy their requirements from India and encourage Indian industries to manufacture Railway appliances. If this is not done, Sir, what is the use of gloating over the claim, "We have 33,000 miles of Railway", and what is the use of hearing by wireless from 6,000 miles away, "money is cheap; borrow, borrow; develop the Railways; send orders across the seas!"?

Mr. K. C. Neogy: That is the Ottawa spirit.

Mr. B. Das: Then the next point I want to draw the attention of my Honourable friend to is this. It is high time that the Lee concessions were abolished.

Mr. S. C. Mitra: He cannot do that.

Mr. B. Das: Sir, if the Lee concessions were introduced when prices were high in 1922-23, why, I ask, should not the Government be able, in the year 1933, when prices are very low, to withdraw these concessions? Sir, it is time that the Government of India and the Railway Board should fight for the withdrawal of these concessions. Sir, when my Honourable friend was in charge of another Department, I drew his attention to the fact that a gentleman who never crossed the seas got the Lee concessions by establishing that his great-great-grandfather had European blood,—but which he never had. (Laughter.) Then, as my friend, Mr. Neogy, says, one brother got the Lee concessions while the other did not,—probably because the latter was dark and could not establish his relationship with his brother.

Sir, I feel a little bit gratified that after all our labours on the Public Accounts Committees and all the fight put up by Mr. Joshi, Mr. Neogy, and Mr. S. C. Mitra, on the question of the reduction of the stores balances, which at one time stood between 18 to 22 crores, these have been reduced by six to seven crores. This means that for seven years the representatives of the Railways have been telling us lies before the Public Accounts Committees. They were all along urged to reduce these balances, but they said they could not reduce them. How then could they be reduced from 22 crores to 13½ crores? That shows that there is much to be done inside the Railways if the Head becomes an Indian. With the advent of the Indian Financial Commissioner and of the Indian Railway Member, the Railways have seen their way to reduce their stores balance to 13½ crores. Oh, what a fight we had to put up all these seven years before the Public Accounts Committee in order to point out the absurdity of their position! Sir Charles Innes went on borrowing money and Mr. George Smith and Sir Alan Parsons, helped by Sir Clement Hindley and Sir Austin Hadow, went on adding to

[Mr. B. Das.]

the stores balances! Sir, I do not want to find fault with those who have left us. But they have bequeathed to us schemes that will never earn more than $\frac{1}{2}$ per cent. Sir, I would earnestly ask my friend, Sir Joseph Bhore, to study these points and find out how his predecessors have gone on mismanaging, and how the snake-like manœuvres of the Chief Commissioner and the technical experts of the Railway Board have saddled my Honourable friend with an inheritance which he will have to justify from year to year on the floor of this House,—until and unless the Secretary of State relieves him by putting the Railways under a Statutory Board.

Mr. K. Ahmed: So you give him a chance now for the present?

Mr. B. Das: There is another point. I do hope some of my friends, the Round Tablers, will speak on the point I am raising just now. Sir, it was four years ago in the Public Accounts Committee that we raised the issue that the Military Department received large concessions from the Railways, and we asked why should the Railway Administration lose so much money? My friend, Mr. P. R. Rau, the great financier that he is, when I told him that the sum that the military administration received would come to about a crore of rupees, said, of course it was too big a sum, but in the scheme placed before the Retrenchment Committee it was brought out that the Military Department received Rs. 95 lakhs in concessions! Of course, I am aware of the fact that Sir George Schuster—who is not here now—said that “if you raise this subject, it will raise the military expenditure by a corresponding amount”. Now, I do not care if I pay another two crores for the military side. It is being taken forcibly from me, but, I want to know how many crores I really pay for the military expenditure. Therefore, I subscribe to the principle that the strategic lines of the Railways should be charged to the Military Department. Well, we raised it very often, but somehow they managed to evade us. Mr. Neogy himself raised it before the Public Accounts Committee, namely, that the money that is spent on the strategic Railway lines is a purely military charge. So also this little concession of nearly one crore of rupees which the Military Department get for the transport of mules, Captains and Commanders. (Laughter.)

I would ask again my friend to look into the agreements with the Company-managed Railways and to tighten the control a little over the Company-managed Railways. Sir, I am proud that in the Public Accounts Committee we have done so much and we have asked for the tightening of the control over that most mismanaged Railway, the Bengal Nagpur Railway. But, Sir, I raised a debate already three years ago on the floor of this House that the Bengal Nagpur Railway ought to have been a State-managed Railway long ago. One does not know who was that duffer in the Railway Board in 1912 who destroyed all the papers and documents, and the only document that is available today is that the Secretary of State in 1912 was pleased to extend the management of the Bengal Nagpur Railway till 1950. And what happened was that the penal clause that was in the previous agreement was taken away. So today these Directors of the Bengal Nagpur Railway have got a *carte blanche* to spend money in any way they like and to do anything they

like, and the Government of India have no control over the Bengal Nagpur Railway. I do not want my friend, Mr. Rau, to whisper to the Honourable the Railway Member that “contact has been made and control has been exercised”. But if it has been exercised, we on this side take 90 per cent. of the credit for that and my friend, the Financial Commissioner, and his predecessor take 10 per cent. credit.

So, Sir, my Honourable friend should pay less attention to his work as Commerce Member and pay six months' attention at least to the complete control of the Railway Administration. I would advise him to tour over every Railway and take with him his Financial Commissioner who knows the views of this side of the House too well, and let them decide how they can make the Railways pay. I will not subscribe, and no Member on this side will subscribe, to the Railways being controlled by a Statutory Board. So, if my Honourable friend would have the privilege of bringing forward a Budget next year, he must bring forward a balanced Budget; otherwise most of us, who laughed at Mr. Ghuznavi's motion for the total abolition of the Railway Board, will have to do the same thing, next year. When the whole Government are irresponsible, we do not care; they can get the Viceroy to certify the grant. Probably next year will be the last year of the life of many of us in this House. But if the balanced Budget does not come, I warn the Honourable the Railway Member that every Demand will be thrown out and he may go to the Viceroy and get them certified.

Sir, I must close, but I will give this warning to the Railway Member. You might turn the Railway Board into a Statutory Board,—I hope some member of the Round Table will reply that that apprehension of mine is groundless,—but there is the transfer of power coming to the people's representatives. Let it be 50 per cent. as some say; but when those, who are now behind the prison walls or outside, come in here, they will not tolerate the idea that the administration of the Railways in India, for which India has borrowed and invested 800 crores and for which 250 crores of capital have been written off and paid for from the revenues of India, should pass on to half a dozen foreign engineers who have received security of their jobs through the constitution to do any mismanagement they like and ask the Government of India and the Legislature to pay for their sins. When they come into power, they will never tolerate that. I hope my Honourable friend will bear that in mind and tell those beyond the seas that India will not tolerate a Statutory Railway Board.

Khan Bahadur Haji Wajihuddin (Cities of the United Provinces: Muhammadan Urban): Sir, I wish to say a few words to draw attention to the studied indifference of the Railway Administrations towards the comforts of the poor third class passengers. It is always said, Sir, that they are doing their best to promote the comforts and convenience of third class passengers, but the question is whether these words have ever been translated into practice. The Honourable Member in charge of the Department is, no doubt, a very old friend of mine. His tact, ability, skill and resourcefulness are undoubted, and, along with these qualifications, he possesses a large heart and a sympathetic outlook. I, therefore, venture to say a few words for his consideration.

Sir, let me say frankly that the poor third class passenger undergoes even today the same discomforts and inconveniences that he used to suffer some ten or fifteen years ago. The insulting behaviour of subordinate

[Khan Bahadur Haji Wajihuddin.]

officials towards the third class passengers is as rampant today,—I should say more frequent,—as it was twenty years ago. Sir, let me tell you that most of the members of the supervising staff take very little interest in the true sense in carrying out their duties of supervision, but most of the Railway officials drawing high salaries depend merely upon their subordinates, and my impression of their behaviour is that these subordinates generally consider themselves to be superior to their officers and some of them treat third class passengers, who patronise the Railways and contribute the bulk of the Railway revenue, like sheep and goats. Sir, the fact is that the mere appointment of certain persons on various duties cannot be taken as a guarantee to render comforts to the poor Indian passenger, but proper supervision over the subordinate staff and others concerned is absolutely essential.

What a poor passenger needs most, when travelling by rail, is good food, cold water and sufficient accommodation. May I know, Sir, what has been done in practice to improve these conditions? Some Indian refreshment rooms have no doubt been opened, but they are meant for well-to-do people. Their charges are so high that a third class passenger of limited means can never venture to pay a visit to them. He buys his food from the platform hawker who has got a monopoly to sell there, but the system of favouritism in issuing licences to these hawkers and lack of supervision have deprived the poor passenger of the opportunity of buying fresh and wholesome food. I have reason to believe, Sir, that there is so much letting and sub-letting and so much of profiteering that the hawker can never be expected to use good stuff in the preparation of Indian food. Sir, let me say plainly that it is not sufficient to inspect the look of the food-stuffs, but to arrange to examine the quality of the articles sold to these poor third class passengers, the majority of whom are ignorant and illiterate. Inspectors and other members of the staff usually confine their attention to the look of the food-stuff, the neatness and the cleanliness of the stalls, and these are apparently found in good order, because the stall-keepers know beforehand as to when the *sahib* is to come for inspection and they, therefore, keep everything in good appearance.

As regards cold drinking water, I may say that the present arrangements in small stations is wholly unsatisfactory. It often happens that the *bhistis* do not attend the train regularly or the earthenware kept there for cold water remains empty. My information is that the station staff generally engage these *bhistis* for their private services and so no one takes any action on this serious irregularity on the part of *bhistis* resulting in great inconvenience to the passengers, especially during the hot weather.

Sir, it is no secret that, for lack of proper supervision by the Railway Administration, people are now patronising, in a very large number, private motor transport and consequently the Railway Administration as a whole are driving their golden customers away from themselves, as rather than suffer the hardship of the railway travelling, the public prefer to use motor buses and lorries. If my official friends do not believe what I have said, I may challenge them to come forward and travel along with me without notice as a third class passenger on any line of the Railway they may choose as well as by a motor lorry in the same locality to see with their own eyes and make voluntary and friendly investigations with fellow passengers of both the systems and, I am sure, they will be fully satisfied.

and then they will be able to find a way to solve the problem. Sir, the remedy is not far distant to seek, provided that the Railway officials may see their way to pay more attention on supervision of their staff, hawkers, *bhistis* and others and also consider the advisability of appointing such persons to the Local Advisory Committees of various Railways who have in the past shown real and keen interest in the welfare and comforts of poor passengers who will, I am sure, be proved more useful to both the Railway Administration and the public in general. With these remarks, Sir, I conclude my speech.

Several Honourable Members: The question may now be put.

Mr. Chairman (Sir Hari Singh Gour): I accept the closure. The question is that the question be now put.

The Assembly divided:

AYES—52.

Abdur Rahim, Sir.
Ahmed, Mr. K.
Amir Hussain, Khan Bahadur Saiyid.
Anklesaria, Mr. N. N.
Azhar Ali, Mr. Muhammad.
Bagla, Lala Rameshwar Prasad.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Fox, Mr. H. B.
Ghuznavi, Mr. A. H.
Gidney, Lieut.-Colonel Sir Henry.
Hudson, Sir Leslie.
Ishwarsingji, Nawab Nabarsingji.
Ismail Ali Khan, Kunwar Hajee.
Jadhav, Mr. B. V.
James, Mr. F. E.
Jehangir, Sir Cowasji.
Lahiri Chaudhury, Mr. D. K.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Mackenzie, Mr. R. T. H.
Maswood Ahmad, Mr. M.
Millar, Mr. E. S.
Misra, Mr. B. N.
Mitra, Mr. S. C.
Moore, Mr. Arthur.
Morgan, Mr. G.
Muazzam Sahib Bahadur, Mr.
Muhammad.

Mudaliar, Diwan Bahadur A. Ramaswami.
Murtuza Saheb Bahadur, Maulvi Sayyid.
Neogy, Mr. K. C.
Nihal Singh, Sardar.
O'Sullivan, Mr. D. N.
Rafiuddin Ahmad, Khan Bahadur Maulvi.
Raghubir Singh, Kunwar.
Rajah, Rao Bahadur M. C.
Rastogi, Mr. Badri Lal.
Roy, Kumar G. R.
Sadiq Hasan, Shaikh.
Sant Singh, Sardar.
Sarda, Diwan Bahadur Harbilas.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Sher Muhammad Khan Gakhar, Captain.
Singh, Mr. Pradyumna Prashad.
Sitaramaraju, Mr. B.
Smith, Mr. R.
Sohan Singh, Sirdar.
Suhrawardy, Sir Abdulla-al-Māmūn.
Uppi Saheb Bahadur, Mr.
Wajihuddin, Khan Bahadur Haji.
Yamin Khan, Mr. Muhammad.
Ziauddin Ahmad, Dr.

NOES—8.

Dutt, Mr. Amar Nath.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Lalchand Navalrai, Mr.

Parma Nand, Bhai.
Ranga Iyer, Mr. C. S.
Sen, Pandit Satyendra Nath.
Thampan, Mr. K. P.

The motion was adopted.

The Honourable Sir Joseph Bhore: Sir, we have had the spectacle, during the last two days, of my Honourable and gallant friend, Sir Henry Gidney, joining hands with Mr. Ghuznavi on the one side and with the stalwarts of the Opposition on the other—a spectacle which, I think, may

[Sir Joseph Bhore.]

be deemed anticipatory of the millenium when we are told that the lion will lie down with the lamb and a little child shall lead them. Who is the lion and who is the lamb and who the little child, I will not venture to say. But, in asking Honourable Members, if they would be good enough to indicate what subjects they wished to raise on the motions for cuts, I had intended to ask them to specify with some definiteness the matters that they wished to raise. When, therefore, I received notice of this motion with the words "policy and administration" shown against it, my Honourable friends left me guessing as to what they really meant, because obviously practically every conceivable criticism and complaint could be brought within the ambit of this elastic term. Then I did venture along another line of approach. I tried to see what change of policy or what new method of administration I could possibly put into effect with the magnificent sum which my Honourable friends wanted to leave me, namely, one rupee. Naturally there was no enlightenment to be gained along that line. But, I think, Honourable Members will agree with me that it is a little hard on me to expect me to deal with this enormous field which has been opened in the last two days at short notice and I think that it is a little harder on the House to deprive the House of information which I might otherwise have been able to give it and which might have helped the House to come to a juster and fairer conclusion. (Hear, hear.) As it is, Honourable Members have raised many questions—in fact this has been a replica of the first day's general discussion, and each question raised has been itself one of considerable magnitude. I, therefore, find myself in considerable difficulty. I am afraid I can do no more than refer to a few only of the very many subjects that have been touched upon in the course of the last two days.

First, let me refer to my Honourable friend, Mr. Ghuznavi, who led the attack upon us. I venture to submit that so far as Mr. Ghuznavi's speech was intended to be an indictment of the present administration, it has singularly failed. I, in fact, rely on Mr. Ghuznavi and his own testimony to show that the motion, which is now before the House, should be rejected. What was it in effect that he said? I do not raise any question about the correctness of his figures; but, assuming all his statements to be correct, what he really said in effect was this: that the present administration has been responsive to suggestions and criticisms made by him the year before and that they have, as a consequence, been able to save no less than 20 lakhs during the current year. Are we to be abolished for doing this? Then, take the other point that my Honourable friend raised, the carriage of the coal required for the Madras and Southern Mahratta and the South Indian Railways for their own purposes by sea. He pointed out that carriage by this route would mean a considerable loss of revenue to certain Railway systems. As my Honourable friend, Mr. Rau, has explained fully, it was a year or two ago that we ourselves, on our own initiative, took up this question and we hope to see a change in the existing practice; we hope that that change will be brought into effect during the coming year. Now, I want to make it quite clear that these Company Railways are at full liberty, if they so choose, to get coal brought to their doors by the cheapest route, whether it is by sea or by land; but we have endeavoured to induce, and we have now succeeded in inducing, the South Indian Railway to accept an arrangement by which the bulk of their coal will be carried over the land route and we are even

prepared to shoulder some loss, if necessary, in order to secure this result. (Cheers.) Are we to be abolished for taking the initiative and doing what my Honourable friend, Mr. Ghuznavi, really wished us to do? But the whole question of the coal contracts for the Railways has, I think, aroused a great deal of interest, and it is a matter of such importance that I think the House will bear with me if I say a few words in regard to it.

I would like to give to the House some idea of the procedure adopted and the principles which we have followed in allocating contracts for the Railways; and I would also like to refer incidentally in passing to the whole question of Railway-owned collieries. Taking the latter question first, I would point out that my Honourable friend, Mr. Sen, has advanced reasons which, I submit, and, I hope, the House will agree, are conclusive in showing that the policy adopted by the Railway Administration is the correct one. I have only a few words to add to that defence of our policy. I think it is common knowledge that the Railways were forced into ownership of their collieries by the action of private colliery-owners. The prices quoted to them for coal were, I should describe as exorbitant and, in self-defence, in order to break the ring which was putting up the prices against the Railways, they were forced to buy their own collieries. By doing so, they were able to reduce the price of coal from somewhere in the neighbourhood of 12 rupees a ton to the price at which it is now, namely, between three to four rupees a ton. I do not say that that is entirely due to that fact, but the fact that we have owned our own collieries has had a real effect in bringing down the price of coal to the Railways; and I do feel this, that what has happened in the past may again happen in the future, and that the position of these collieries is the greatest safeguard against any possible combination of sellers. Now, the fact, that we own these collieries and can, as a matter of fact, supply practically the whole of our requirements so far as coal is concerned, has not prevented us from doing all that we can to help the industry. We have passed a self-denying ordinance practically, and we are getting in the current year no less than 66·6 per cent. of our requirements from private colliery-owners. We are buying that amount from the open market; we are only raising one-third of our requirements from our own collieries. Well, Sir, obviously the restriction of our raisings must put up the price of our own coal. Obviously, our overheads have to be spread over a smaller output, but we regard the slight increase in the price of our own raisings as a most valuable insurance against excessive rates in the future.

Then, let me turn to the question of the allocation of contracts. This has been the first year in which I have had anything to do with this rather important transaction, and I would like, Sir, to make my position and that of the Railway Board perfectly clear in this matter, because I hope that, if I state the position as fully and frankly as I can, it will put an end once and for all to suggestions that we are being misled by some one or are subject to outside influences. The first recommendations for the allocation were made by the Chief Mining Engineer. These were then most carefully scrutinised by the Chief Commissioner and the Financial Commissioner. That scrutiny lasted for two days, and these officers went into every single tender and every single allocation. Having done that, their proposals were then put before me, and I can assure the House that I went into every single allocation before I finally passed

[Sir Joseph Bhore.]

orders. (Applause.) I can assure the House that we have done all we could to see that a fair allocation of orders has resulted. We may have made mistakes. I do not claim infallibility, but I do claim this that I have satisfied myself that there are good and sufficient reasons for every allocation that has been made. (Applause.) I would bring another point to the notice of this House. As a result of their scrutiny by the Chief Commissioner and the Financial Commissioner, the original proposals were greatly modified, and, as the result of my subsequent examination, there was a still further change in the proposals. (Applause from different parts of the House.) Now, Sir, the House will realise that we must, on certain matters, follow the advice of our experts. For instance, if our expert says that one seam is inferior to another seam, or if he says that as a result of tests the ash content of one sample is greater than the ash content of another sample, we must accept that. If we did not do that, the whole administration of a technical department would be reduced to chaos.

Then, Sir, before I leave this point, as I am stating the position as fully and frankly as I can, I will give to the House the general principles which have guided us this year in making our final selection of tenders. We have kept the four following broad considerations in our minds:

Firstly,—where the quality of coal was the same, the first consideration, or the main consideration should be that of price;

Secondly,—we had to take into account the capacity of the tenderer to fulfil the contract;

Thirdly,—we had to take into account also the past performance; and

Fourthly,—taking into account both quality and price, we endeavoured to spread our orders over as many collieries as possible in order to help the industry in these bad times.

Those, Sir, were the general principles which we adopted, and I leave it to the House to decide whether we have not done our best to obviate any charges that we have acted irresponsibly or blindly or at the dictation of some one else.

Now, Sir, I come next to my friend, Mr. Mitra, and I would like in the first place to point out that he has made a little mistake in his argument that because the Railway Board at the present moment does not have an engineering or a traffic expert, we could always get on without them. As a matter of fact, it so happens that the Chief Commissioner is himself an Engineer and the Staff Member is himself a Traffic Officer. It has thus been possible to double up these charges, and I would like to say that I am not quite sure whether in other circumstances it would be possible without some loss of efficiency to continue this doubling up process.

Then, Sir, my friend suggested,—and I think in this suggestion he was supported by more than one Member of this House,—that in future the Railway Administration at headquarters should be carried on by a Member with the usual Secretariat staff. Well, Sir, I can only say that I should not like to be the Member to have to carry on an organization like that. I do not profess to be a railway traffic expert; I do not profess to be a railway engineering expert; nor do I profess to be a financial

authority, and, I am afraid, though I appreciate the compliment conveyed in that suggestion, that this particular charge, if so constituted, would be entirely beyond my capacity.

Then, my friend, Mr. Mitra, raised the question of Indianization. So far as Indianization is concerned, I have always done my best to advance it, for I recognise that considerations of national prestige, national self-respect, of economic expediency and of political advisability are all concerned in this question. But, Sir, I would like to draw a distinction between recruitment to the services and subsequent promotions to selection posts. So far as recruitment for our superior Railway Services is concerned, I think the House is aware that recruitment is conducted in the proportion of 75 Indians to 25 Europeans. Now, those proportions have, as far as I know, been adopted in almost every recruitment that has been carried out. I think in only one case or two cases has the percentage been slightly smaller. As regards the numbers of Indians in the gazetted cadres, I have had certain figures prepared for me and I would like to give them to the House. I would point out that there has been a steady improvement in the State-managed Railways since 1925 when this proportion was first adopted in the matter of recruitment. In 1925, the percentage of Indians was 28. In 1926, it had risen to 32. In 1927, it was 33. In 1928, it was 35. In 1929, it had risen to 36. In 1930, it was 36.88, and, in 1931, it was 36.90. Now, Honourable Members will see that there has been a slight slowing down of the increase in the percentage in the last two or three years, and I think they will readily realise the cause of that. The cause has been that recruitment has been very greatly reduced or almost stopped. But we have often been asked why is it that we have not appointed an Indian or a member of a particular community, say, to the Railway Board or to the staff of the Railway Board. The House knows, I think we have often referred to that matter on the floor of the House before, that we do not recruit these appointments or rather we do not make promotions to these appointments on a racial or a communal basis. We strive to get the best man we possibly can and these posts, Honourable Members will remember, are posts to which all officers can aspire and look forward to as a reward for merit and for good work. If a junior officer were of such outstanding ability and merit as to justify promotion to the Board, I should not have the faintest hesitation in appointing him in supersession of his seniors. Also, Sir, where two officers are of practically the same seniority and qualification, I think possibly consideration may be paid to the fact that one belongs to a race or community not adequately represented in that particular branch of the service, but to deliberately supersede a senior officer who may be thoroughly qualified and merits promotion to a selection post is to introduce a new principle which will, to my mind, destroy the morale of the services and which will be wholly unjustified. I can be no party to such a course.

Then, my Honourable friend, Mr. Mitra, referred to the mechanical apprentices at Jamalpur. The case has not come up to me officially yet, but I can give him the assurance that when it comes up, I shall pay my very closest personal attention to the matter. As we are on that point, I will also refer to what fell from my Honourable friend, Sir Cowasji Jehangir. He must realise that I could not possibly undertake to examine the case of every retrenched officer, but if he can select one or two cases in which he considers that Indian personnel has been un-

[Sir Joseph Bhore.]

fairly or inequitably treated or treated not in accordance with the rules for retrenchment that we have laid down, then, Sir, I promise to regard those cases as test cases and to go personally into the matter myself.

There is only one more aspect of this motion which I would like to press upon this House. More than one speaker has said "Do away with the Railway Board". I would ask what grounds there are upon which that proposal is made? Is it purely on the ground of analogy, the analogy of the other Departments of the Secretariat or has it any reference to the actual quantum, the nature and the quality of the work to be performed? I have only heard assertions that the Railway Board is unnecessary and that this whole organisation can be done away with. My Honourable friends must realise that while I am perfectly ready to be convinced that this work can be better done by another organisation, it is not assertion merely that will satisfy me. It must be proof of some kind.

Then, Sir, let me refer briefly to my friend, Mr. Joshi. Obviously I cannot now follow him in the complicated mathematical calculations that he put forward. I am afraid that though they may appear simple, there is a fallacy underlying them. My Honourable friend raised the general question of the treatment of labour and I would only reply to him in general terms. I think in principle there may not be such a great difference between the views held by Mr. Joshi and myself. I have often expressed those views on the floor of this House. I have said that apart from any question of prudence or expediency, I hold that there is a moral obligation resting upon all employers of labour to undertake the progressive improvement of the labour conditions, but, Sir, if there is a responsibility resting upon employers, there is an equal responsibility resting on labour in the service that they offer and in pressing and putting forward their claims. I have not, I think, seen any particular readiness to appreciate and to implement this responsibility on the part of labour. I would, in regard to the specific point raised by Mr. Joshi, namely, as to what we are doing on the recommendations of the Labour Commission, say that in regard to that rather important suggestion, namely, the bringing into existence of machinery to deal with railway disputes the matter has not only been considered—we have passed that stage—but the Railway Board have formulated their provisional conclusions. These conclusions should have been and would have been discussed with the All-India Railway Men's Federation last month, but unfortunately, owing to the illness of the Chief Commissioner, that meeting had to be postponed. Those proposals, therefore, will be discussed with the Federation at the postponed meeting which will take place either this month or the next. After that discussion, I do not think that any long period of time should elapse before we come to final decisions and to the question of giving effect to them. I will not follow my Honourable friend in regard to the specific matter which he has raised, namely, the Madras and Southern Mahratta Railway dispute. It is unfortunate that the reference to this matter should have taken the form which it did. I will only say this, that I am glad of this opportunity of paying my public tribute to the work of the Citizens' Committee. The Committee did a great public duty at considerable cost to themselves, with courage and in a spirit of disinterestedness and I will also say this that Government fully accept

their findings that the Agent was not responsible for breaking either in the letter or in the spirit the agreement that had been arrived at, and they will adhere to that finding.

Now, Sir, I would like very briefly to refer to my Honourable friend, Mr. B. Das. I had already promised Dr. Ziauddin Ahmad that I would sit at his feet and learn how the Railways should be administered, but I am afraid I overlooked the fact that there was another sage and teacher in this House. (Hear, hear.) My Honourable friend, Mr. Das, seems to me to have followed the line and adopted the policy of my friend, Mr. Ghuznavi. He wishes, I think, the Board to be abolished. Why? Because, as he himself pointed out, the present Administration have actually carried into effect the recommendations made by the Public Accounts Committee, for instance, in the matter of the reduction of the stores balances! Then, Sir, he raised the question of the concessions to the army. Well, there also, we have raised the question, and we are now discussing it. And that, Sir, brings me, in conclusion, to what my Honourable friend, Mr. Neogy, said; and may I congratulate him on the restraint of his speech, which, if I may say so, added greatly to the weight of his arguments. I particularly appreciate the very discerning nature of his suggestion that I should abstain from pronouncing at once an opinion on the weighty matters to which he referred, for the reason that he felt that an immediate pronouncement could not, in the circumstances of the case, possibly reflect the results of a considered and an independent personal judgment. Honourable Members will realize that the insistent and numerous preoccupations of the last few months have left me little time to address myself to the very large and important questions which have always for many years in the past exercised this House and which exercise it today; but I hope that when I have again to face this House on the Railway Budget, I may have made some little progress with the consideration of some at least of those important questions which we have so often discussed on the floor of this House. Particularly, do I agree with Mr. Neogy in the stress he laid on the importance of maintaining contact between the Railway Administration and public opinion. The grievance that the Central Advisory Council has not met for some considerable time is a perfectly legitimate one, but I may tell Honourable Members that I have already taken steps to summon a meeting. I hope those meetings in the future will be not merely more numerous and more regular, but that they may lead to an atmosphere of co-operation between the representatives of the Assembly and the Railway Administration which cannot but be of the greatest use to us in conducting the work of the Organization committed to our charge.

I would only now, Sir, ask the House not to accept the motion placed before it. As I have said, Mr. Ghuznavi already paid a compliment to the readiness of the Board in the matter of listening to advice and criticism. I think the gallant Knight from Calcutta told us that when he entered the lists on behalf of some unfortunate subordinates, as indeed befitted a Knight of the Round Table (Laughter), he obtained redress when he went to the Railway Board. Similarly also my friend, Mr. Lalchand Navalrai, said: "I had 16 or 17 grievances and all I had to do was to see the Financial Commissioner and I had those grievances redressed."

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Urban): Not all.

The Honourable Sir Joseph Bhore: Let us hope, Sir, that all may be redressed, but some perhaps are not worthy of redress. In any case, I venture to hope that those who have come to curse will stay to bless, and I hope the House will have no hesitation in not accepting this motion. (Loud Applause.)

Mr. A. H. Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Sir, after the excellent, illuminating, informing, lucid and instructive speech of my Honourable friend, Sir Joseph Bhore, I would ask for the leave of this House to withdraw my motion (*Voices*: "No, no"), but before I do so, I desire to offer a few remarks. Sir, I am happy, I feel proud that my criticism has had this effect that the Government will now be saving at least between Rs. 20 lakhs and Rs. 30 lakhs. It was said yesterday that the saving of these lakhs on account of a new system of purchase was not due to my criticism, but due to a fall in price in the market.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): On a point of order, Sir,—is the Honourable Member entitled to make a speech when he asks for withdrawal of his motion? I ask for a ruling from the Chair.

Mr. Chairman (Sir Hari Singh Gour): He is giving his reasons with a view to persuading the House to let him withdraw his motion.

Mr. A. H. Ghuznavi: Now, Sir, I have taken these figures from the *Capital* of last year and this year. Last year, one firm offered their coal at Rs. 4-3-0. Then second class coal was offered at Rs. 3-4-0 by another party. Well, last year the coal which was offered at Rs. 4-3-0 was purchased, and that tendered at Rs. 3-4-0, was not purchased; that is to say, they paid 15 annas per ton higher. Then, there was one tender at Rs. 4-12-0, and another tender for the same was offered at Rs. 4-4-0, but they bought the Rs. 4-12-0 coal and did not buy the coal offered at Rs. 4-4-0.

Kunwar Hajee Ismail Ali Khan (Meerut Division: Muhammadan Rural): Sir, he is not giving any reasons for withdrawing his motion.

Mr. Chairman (Sir Hari Singh Gour): I hope the Honourable Member will be brief.

Mr. A. H. Ghuznavi: I shall take only five minutes more.

Mr. M. Maswood Ahmad: Are you withdrawing, or are you going to press for a division?

Mr. A. H. Ghuznavi: I want to give my reasons as to why I want to withdraw.

(At this stage Kunwar Hajee Ismail Ali Khan rose.)

Mr. Chairman (Sir Hari Singh Gour): Is the Honourable Member raising any point of order?

Kunwar Hajee Ismail Ali Khan: I should like to raise my point of order that while the Honourable Member said that he agreed to withdraw his motion, he is not giving any reasons in support of withdrawal, but he is making a speech to justify himself in moving the original motion. Sir, this should not be allowed at this stage.

Mr. A. H. Ghuznavi: This coal, which was offered last year, at Rs. 4-3-0, has been offered, owing to depression, at Rs. 3-14-0; and the coal that was offered last year at Rs. 3-4-0, has been offered this year, owing to depression, at Rs. 2-13-0. They have bought at Rs. 2-13-0, this year and not at Rs. 3-14-0, and that will save them Rs. 1-1-0, per ton. Similarly,

(At this stage there was thumping of tables in the Opposition Benches.)

Sir, in view of this attitude of the House, I beg leave to withdraw my motion.

Mr. Chairman (Sir Hari Singh Gour): Has the Honourable Member leave of the House to withdraw his motion?

Some Honourable Members: No.

Mr. Chairman (Sir Hari Singh Gour): As objection has been taken, I will put the motion before the House. The question is:

"That the demand under the head 'Railway Board' be reduced to Re. 1."

The motion was negatived.

Mr. Chairman (Sir Hari Singh Gour): Before I adjourn the House I wish to ask Honourable Members whether they agree to a suggestion that has been made in certain quarters and agreed to by a few Members of the House for the discussion of business tomorrow, and on Saturday and Monday. As Honourable Members are aware, tomorrow is both Friday as well as a day when Honourable Members have an engagement elsewhere at about half past four. It has been suggested that in order to economise time and give Honourable Members as much time as possible tomorrow, the questions which are set down in the agenda for tomorrow may be passed over and that the work of the day might begin at 11 o'clock, and that the House should rise for the mid-day recess at 12.40 and meet again at 2 o'clock rising at 4 o'clock in the afternoon. If that is generally agreed to

Several Honourable Members: Yes, yes.

Mr. Chairman (Sir Hari Singh Gour): I take it that that is agreed to by most of the Members. The business will be arranged accordingly.

The Assembly then adjourned till Eleven of the Clock on Friday, the 24th February, 1933.

LEGISLATIVE ASSEMBLY.

Friday, 24th February, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

THE RAILWAY BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND NO. 1—RAILWAY BOARD—*contd.*

Mr. Chairman (Sir Hari Singh Gour): Mr. S. C. Mitra.

Pandit Satyendra Nath Sen (Presidency Division: Non-Muhammadan Rural): On a point of order, Sir.

Mr. Chairman (Sir Hari Singh Gour): May I know what is your point of order?

Pandit Satyendra Nath Sen: Rule 30 of the Manual of Business and Procedure says that the first hour of every meeting shall be available for the asking and answering of questions. The reference is to Standing Order No. 10. Some questions have been specifically fixed for today. This is the list. These are not remainders of questions of any previous list. Therefore, there is no option for the Chair in this matter, as this rule is not qualified by any such clause as "unless the President otherwise directs" and so forth. The only sections which deal with suspension of Standing Orders are 76, 77, 84, 86, 89 and 142. All these deal with Bills, except the last section which deals with Resolutions. I think, therefore, Sir, that we will not be in order if we do not discuss the questions.

Mr. Chairman (Sir Hari Singh Gour): The Chair has exercised no discretion, but the Chair left it yesterday to the House, and it is the privilege of the House to waive the Standing Order made for their benefit. It was unanimously decided by the consensus of opinion in the House that the question hour be utilised for the discussion of the Railway Budget.

Pandit Satyendra Nath Sen: Not unanimously, Sir.

Mr. Chairman (Sir Hari Singh Gour): Mr. S. C. Mitra.

Reduction in the number of Members of the Railway Board and in the Pay of the Superior Officers of the Railway Board.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Sir, I move:

"That the demand under the head 'Railway Board' be reduced by Rs. 1,50,000."

Before I could move my motion, and before it was even known to the House whether it was a question that was to be asked and answered or whether it was a cut motion to be moved on the Railway Budget, a point of order was raised. Sir, I think, the House will get only very few chances to discuss, and, if necessary, to divide on, any substantive cut or, what we here call, economy cut. I find that later on a crowd of motions on token cuts dealing with grievances will be discussed in this House. So, I think, the House will do full justice to the point that I raise about a substantive cut in this motion. My motion is for reduction in the number of Members of the Railway Board and in the pay of the Superior Officers of the Railway Board.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Honourable Member has to say whether he wishes to move cut No. 2* which stands in his name.

Mr. S. C. Mitra: I think that is covered by the previous motion of my Honourable friend, Mr. Ghuznavi, that has already been disposed of.

Mr. Chairman (Sir Hari Singh Gour): Cut motions 1 to 6 traverse the same ground. I called upon the Honourable Member to speak, as I have no option but to put each motion separately as required by Standing Orders.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadian Rural): I have a cut motion, No. 125, in my name:

"That the demand under the head 'Railway Board' be reduced to Re. 1."

So I think I may be allowed to move.

Mr. Chairman (Sir Hari Singh Gour): Sir Abdulla Suhrawardy.

Sir Abdulla-al-Mámūn Suhrawardy (Burdwan and Presidency Divisions: Muhammadan Rural): Sir, I do not move my motion.*

Mr. Chairman (Sir Hari Singh Gour): Mr. Lalchand Navalrai.

Mr. Lalchand Navalrai (Sind: Non-Muhammadian Rural): Sir, I have already spoken on this motion, and I do not move my motion.*

*"That the demand under the head 'Railway Board' be reduced to Re. 1."

Mr. M. Maswood Ahmad (Patna and Chota Nagpur cum Orissa: Muhammadan): Sir, I would request you kindly to see the late lists as well where you will find bigger cuts. Under the Standing Orders, the biggest cuts should be taken first. So all the cuts which are for more than Rupees one lakh and 50 thousand should be given preference. As far as I remember, that is what the Standing Order says. There are many cuts in this list and the other late lists which are for more than Rupees one lakh and 50 thousand.

Mr. Chairman (Sir Hari Singh Gour): The general procedure is that in discussing the Railway or the General Budget, the Chair has to take all the cuts in the order in which they appear on the agenda, and as Mr. S. C. Mitra's cut No. 8 has precedence over other cuts, he is in order.

Mr. Amar Nath Dutt: May I ask how this cut No. 125 came to be placed so low? I beg to draw your special attention to that. Should it not have come before?

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member can raise that question at the proper time. This is the time for cut No. 8. Does the Honourable Member claim precedence over cut No. 8?

Mr. Amar Nath Dutt: My motion is to reduce the demand under the Railway Board to Re. 1. It is No. 125.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member's cut is out of time. Notice was received on the 20th February, and the Standing Order requires that there shall be two clear days' notice before the day on which the demand is under consideration and any Member may object and such objection shall prevail, unless the President, in the exercise of his powers, waives that condition. That question cannot be disposed of just now. Notice of this motion was received on the 20th. Mr. S. C. Mitra.

Mr. S. C. Mitra: Sir, my purpose in moving this motion is to show that

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadian Rural): Sir, may I take it that notices of motions which were given on the 20th February are out of order for discussion during this Railway Budget? We ought to know this clearly, as there are a large number of these motions which are shown as having been received on the 20th?

Mr. Chairman (Sir Hari Singh Gour): The Chair will consider that point when the proper time comes, that is when a motion given on the 20th is sought to be moved. Mr. S. C. Mitra.

Mr. S. C. Mitra: Sir, I am afraid, the Honourable the Commerce Member did not appreciate the spirit in which I spoke on the last motion. It was never my intention that the Honourable the Commerce Member should have no assistance from any technical expert or financial expert in the discharge of his duties. What I said was that like other Departments of the Government of India there should not be a Board at his back so far as the administration of Railways is concerned. He will

[Mr. S. C. Mitra.]

certainly have the advice of the Chief Commissioner and the Financial Commissioner as well as a whole horde of Directors and Deputy Directors to help him. And, really, in the Government of India it is not only this particular Department that has other big branches to deal with. For example, the Industries Department has the big Department of Posts and Telegraphs under it. There is the Director General of Posts and Telegraphs with his financial experts who help him in carrying on the administration of that Department. Take again, the Department of Education, Health and Lands. They have to deal with the Medical Department; there also you have a Director General of Indian Medical Service and a Director of Public Health, and all these people to help him. So it will not be correct to say that I do not want a Railway Board to help the Honourable the Commerce Member in carrying out his duties in the Railway Department. In my speech I made it clear that the Chief Commissioner of Railways, who was a very experienced and expert Engineer, was there to help him. I further said that the ordinary day to day administration was actually carried on by the Agents of the different Railways, and that the main duty here of the present Railway Board was more or less to co-ordinate their work. Some of our friends here were very much afraid that if Mr. Colvin went away, then there would be none to answer their questions

Mr. N. M. Joshi (Nominated Non-official): Who were afraid? We were not.

Mr. S. C. Mitra: Mr. Yamin Khan was one. You are not the only Member; there are other Members also. To them I say, that even now it is not the Members of the Railway Board who answer all these questions, but it is the Financial Commissioner, who is an *ex-officio* Member of the Railway Board. Of course there was anxiety on the part of some of the Members that all appointments below Rs. 100 should be at the disposal of a Railway Member who may have a very large patronage, and it may suit many people to go round him and secure his patronage. But I do not support such strange views that the Agents of the Railways should be denuded of all the powers of appointments, and all these powers of patronage should be vested in one man who may be easily approachable by some.

As I said the other day, I maintain that the Acworth Committee in 1921 suggested a similar thing as I propose for this Board today. They said that there should be a Chief Commissioner and four Commissioners of whom one should be a Financial Commissioner, and three other Members whose duty will be to look after three respective Divisions, Western, Eastern and Southern Divisions. What they wanted to impress by that suggestion was that the Railway Chief Commissioner will be an expert as our friend, the Honourable the Commerce Member, wants a very efficient expert to be by his side. On financial matters he will have the advice of the Financial Commissioner; but, for the administration of the individual Railway systems, they should be divided into three Divisions, and there should be a Member responsible for each; but here, under the present system, that very thing is carried out by the Agents of these respective Railways. I do not say that the Chief Commissioner should

be the only expert. There are provisions even in this Budget for five Directors who carry a salary of Rs. 3,180 each, five Deputy Directors who carry a salary of Rs. 2,130 *plus* a special pay of Rs. 250 each. So it will not lie with my friend, the Commerce Member, to say that if the so-called Railway Board, by which I meant merely the abolition of one post at present, is done away with, he will be denied the opportunities of consulting any expert. Why should there be so many Directors, who I understand, are experts in their different branches? There are not only Directors, but there are also Deputy Directors. I find this year another post of Director has been added. It is in Demand No. 1. Last year there was provision for four; now, in 1933-34, there is provision for five. When they take away a Member from the Railway Board, they add another to the Board of Directors. In the latest Administration Report for 1931-32, supplied to us, I find the following:

“The reorganisation was complete in May, 1932, and then the superior staff in the office of the Railway Board consisted of the Chief Commissioner, Financial Commissioner, one Member, three Directors, six Deputy Directors and one Secretary.”

So I find that in the complete re-organisation scheme of 1932, there was provision for four of these super experts, that is a Member and three Directors and six Deputy Directors. My present suggestion is the same. I do not want a Member to be there; instead of three Directors, let there be four; and, I think, in that case, even in case of necessity, the Honourable the Commerce Member will not fail to have expert advice as he desires. In giving effect to the Acworth Committee's scheme, as I have said, the Government decided that, in addition to the Chief Commissioner and the Financial Commissioner, there should be two Members, one dealing with technical subjects and another with general administration. I say that the duties of the technical expert and the general administration work might be done by a few of these Directors and Deputy Directors; and the present post, that is held by Mr. Colvin, that is, for staff and labour, might be done away with as it was never contemplated in either of these schemes. I am glad that Mr. Colvin is here, and that I am not speaking about him at his back; he is present here to reply to my remarks. I maintain that the expert information or the questions about the general administration may be dealt with by the Directorate, and that Directorate, if necessary, may be enlarged; it was three in 1932; under the present scheme, I find, it is five. So, one may say that Government have diminished the number of Members and increased the number of the Directors from three to five, and have only appointed one or two men on a lesser scale of pay; but I shall presently show that these also are very highly paid posts for a poor country like India. I further urge that the whole of the Railway Administration should be run by officers who should carry a lesser scale of pay. I know the usual answer of the Honourable the Commerce Member is that in connection with the scale of pay there should be no differentiation between this Department of Government and other Departments. But I would contend that this is not correct. Even Government think that Railways should work on a commercial basis. And as was pointed out by the Honourable the Commerce Member yesterday that even in regard to cuts in salaries, Government did not make a distinction between the lower scale officers of the Railway Department and those of the other departments of the Government of India. They have made a distinction only in the case of the officers of the Posts and Telegraphs Department which, though it is not worked on strictly commercial lines, maintains accounts on a

[Mr. S. C. Mitra.]

commercial basis, and in this case the distinction is that officers drawing Rs. 30 or less have to pay half an anna in the rupee, and those who draw Rs. 85-5-3 have to pay only one anna in the rupee towards the cut in their salaries. Therefore a distinction has been made between Government servants on the general side and those working in Departments which have been commercialised or the accounts of which have been maintained on commercial principles. If it is further necessary to show that a distinction does exist, I may say that Government servants always enjoy pensions, while there is no provision of pensions for railway servants, but there is provision for provident fund alone. If it is contended that Railway servants are like other Government servants, I would like to know why Government servants are not granted railway passes as freely as the railway officers are given. Therefore, I maintain that there is a clear distinction between the Railway Department and other Departments of the Government of India, and that on that ground alone there can be no justification for maintaining the same scales of pay. I feel that a sum of one lakh 50,000 can be easily saved by removing one Member whose salary is Rs. 4,000 a month and two Directors and an Assistant Secretary. The last post, I find, has been only recently added in the new Budget. Here I would like to deal with the question of Indianisation, because, by having Indianisation in its true sense, considerable economies can be effected. My point is that we should fix lower scales of pay for Indians who will occupy these high posts in future. Apart from the general argument of Indians to claim 100 per cent. of the posts in India, I think there is a further argument that by Indianisation we can have greater economy. I maintain that the pay for Indians, who will occupy these posts, should be fixed on a much lower scale, and that will certainly be acceptable to Indians.

Now, I would like to point out that on account of keeping the Staff Officer here, it will be impossible to have real Indianisation in this country. The Honourable the Commerce Member yesterday gave the percentage of Indianisation, but I maintain that that percentage, though apparently correct, does not show the true position. I have collected some figures from Railway Reports for 1931. There I find that in the Agency Department, out of a total of 81, Europeans got 61 posts, Anglo-Indians and Domiciled Christians 7, or, rather, out of 81 posts, 68 posts go to Europeans, Anglo-Indians and Domiciled Christians, while the Hindus get ten, Muslims one and others, including Sikhs, get 16 per cent.

Then, the next Department is the Accounts Department, where the total is 125. In this Department, Europeans get 54, Domiciled Europeans and Anglo-Indians 16, that is 70 out of 125 or rather 56 per cent goes to Europeans and Domiciled Christians, while the Hindus get 48, Muslims only two and others about 44 per cent. In the Engineering Department also, there is a total of 731

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadian Urban): On a point of order, Sir. I do not wish to interrupt my friend who belongs to my Party but surely this is not relevant to the main motion he has moved.

Mr. Chairman (Sir Hari Singh Gour): It is not relevant.

Mr. S. C. Mitra: Have you given your decision on the point of order, Sir, or I can make my point clear as to why I am raising this question?

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member can defend himself, but it seems to me that he is obviously irrelevant.

Mr. S. C. Mitra: Sir, I would like to show that obvious things are not always correct. I maintain that reduction of expenditure is only possible by adopting definitely the policy of Indianisation, and when the Commerce Member says that proper effect has been given to the policy of Indianisation, I say, that is incorrect, and I want to show by figures how it is possible to effect economy in the Railway Department by adopting the policy of Indianisation in its true sense and not by the so-called process

Mr. N. M. Joshi: We are not discussing Indianisation: we are discussing economy.

Mr. S. C. Mitra: As regards the Engineering Department

Mr. Chairman (Sir Hari Singh Gour). Order, order. Have you heard the Honourable Member? I feel that the Honourable Member is irrelevant, because he has to deal in this cut with the question of economy apart from the question of communal representation as such.

Mr. S. C. Mitra: I bow to your ruling, Sir, though I do not agree with it. I do not know whether I shall be relevant in showing that by maintaining a Staff Officer here, the process of Indianisation is really impeded. If I am permitted to do so, I can prove that instead of giving facilities to Indians to occupy some of the higher posts, all kinds of tactics are employed to put a stop to a rapid process of Indianisation. That is the case not only in the Railway Department, but in the other Departments of the Government of India as well. Whenever there are suitable Indians occupying high positions and when their turn comes to occupy still higher positions, then some sort of flimsy grounds are urged and they are not given the chances on the plea that, though the officer is clever and diligent, he is lacking in administrative qualities. That is why we find some of the most eminent Indians belonging to the Indian Civil Service occupying the back benches of this House. Now that the Railway Board will become a Statutory Body and will pass from our control, that is why the Government have placed the portfolio of Commerce in the hands of an Indian, so that all the faults may be thrown on the shoulders of an Indian. This is how, from the very beginning, in a very systematic and scientific manner attempt has been made to see that Indians do not at any time occupy higher positions in the Railway Department. In this connection I will refer to one small matter . .

Mr. M. Maswood Ahmad: On a point of order, Sir. I would draw your attention to the fact that the motion is for a reduction of Rupees one lakh and 50,000 and the question that is dealt with is the reduction in the number of Members of the Railway Board and in the pay of Superior Officers. There is no such demand in the demand list. There is only Rs. 32,000 voted amount and another Rs. 27,000 voted amount for a Deputy Director, and so this is much less than Rupees one lakh and fifty thousands. I do not know if this motion can be moved when it is not at all mentioned in the demand list.

Mr. S. C. Mitra: Do you like to hear me, Sir, on the point of order? I would have been the last person even to move this motion. It was the attempt of my Honourable friend who put 50 or 60 questions obstructing the discussion of all other questions that has made me move this motion, because, regretfully, I find that you, in your wider power, decided to permit only the persons who had put down lump sum cuts to move their motions, obstructing the others from having their chance. I would certainly not have moved it, if there was any chance of any economy cut or any substantial cut being discussed in this House.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is no doubt aware that the Chair has no discretion in the matter, but is bound by rule 41 which says:

"Where several motions relating to the same demand are offered, they shall be discussed in the order in which the heads to which they relate appear in the Budget".

Consequently, these motions can only be discussed in the order in which they have been set out in the agenda. As regards the Honourable Member's complaint that because some other Member has raised certain questions, therefore, what was irrelevant, become relevant, is wide of the mark. If the Honourable Member would confine his remarks to the reduction of the Members of the Railway Board and in the pay of the Superior Officers of the Railway Board, there will be no cause for complaint.

Mr. S. C. Mitra: Even on the narrow issue that has been raised by Mr. Maswood Ahmad, I find . . .

Mr. M. Maswood Ahmad: If you take the voted demand, you find . . .

Mr. S. C. Mitra: I do not like to give way if it is not a point of order.

Mr. N. M. Joshi: The point of order is that the demand is only for one lakh 47 thousand, while the cut exceeds that figure.

Mr. S. C. Mitra: The demand is for two lakhs 43 thousand.

Mr. N. M. Joshi: The Budget Estimate for 1933-34 is for one lakh 47 thousand. The point of order is whether the Honourable Member is in order who asks for a cut of one lakh 50 thousand, while the demand is only for one lakh 47 thousand. That is the point of order.

Mr. S. C. Mitra: If the Honourable Member will refer to page 2 of the Demands for Grants, he will find that the non-voted is four lakhs 19 thousand. That is the last figure.

Mr. M. Maswood Ahmad: The Honourable Member wants to reduce the number of Members and higher officers.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is perfectly in order. He wants that out of the lump sum grant a sum of one lakh 50 thousand be deducted and that the rest of the amount be distributed between voted and non-voted at the discretion of Government.

Mr. S. C. Mitra: I am grateful to you. I am sorry that the Honourable Member, without going through the demand, has raised unnecessary points of order. My main point is that the post of one Member of the Railway Board should be reduced and that there should be revised scales of pay and that the reduction should be distributed in a way that from the whole grant there may be an economy of one lakh 50 thousand. For the last two or three years, I find there is a large reduction for the Railway Board. I find that, in the year 1930-31, there was expenditure of 16.97 lakhs. In 1931-32, it was 14.65 lakhs. Then, in the current year, it is 12 lakhs 50 thousand. So there has been a continuous progressive reduction of about nearly 2 lakhs in this grant. I was not hoping that it may be zero after six years, but there is still enough scope for reduction this year also. I was developing the point as to how the scale of the salaries of these officers may be reduced. When I was interrupted by Mr. Maswood Ahmad, who is very anxious for all kinds of Muslimisation, I was really helping him with my figures. I was developing the point that it is always said that there are not qualified Indians for the higher posts. I fully agree with the Honourable the Commerce Member when he said that in cases of promotion or filling up the higher posts, it is not desirable that officers, who have legitimate and real claims to those posts, should be superseded, but my point is that in the process of getting qualified Indians there are deliberate impediments put by the Railway Board. I ask my friend, the Commerce Member, to say why the service of so many Europeans on contract is extended after the completion of each term. If I understand the position, they were brought out on contract on a higher salary on the principle that they will train Indians to occupy these posts or if, in the meantime, it is possible to get trained Indians, trained in India or in England, they may fill these posts. I should like to have a positive reply from the Commerce Member why, year after year, when there are any number of qualified Indians who have their training both in India and in England, the posts are filled by Europeans. If he will only care to write to the Public Service Commission, he will find that there are dozens of Indians fully qualified, trained in England and in India, who can fill these posts. There are a large number of fully qualified Muslims also. I do not omit Anglo-Indians. If they are qualified, they should certainly be given weightage, but nobody should monopolise these higher posts. I could show from the figures that the percentage as regards higher posts even now is only 28. There are now in the higher grades 2,064 (?) posts of which Europeans fill 1,347, Anglo-Indians and domiciled Europeans 143 out of a total of 2,064 (?), 72 are held by Hindus, 6 by Muslims and only 68 for all the other communities, including Sikhs, Parsis, Christians, etc.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is referring back to the subject which has been already disposed of by the Chair. He should confine himself to the reduction of the Members of the Railway Board and in the pay of the Superior Officers of the Railway Board and not introduce extraneous matter.

Mr. S. C. Mitra: I bow to your ruling, although I do not agree with it or accept it as correct. That is quite a different thing altogether. The only arrangement for the enlistment of Indians in the higher service was by a class of special apprentices. What have they done now? They recruited six men on the mechanical side and six men of the transportation

[Mr. S. C. Mitra.]

(power) side throughout the whole of India on the provincial quota basis. Now, of these 12 men, two were found to be not quite up to the mark and they were discarded and ten were found qualified after four years' training in India, this year. Now, the Government in their wisdom have thought fit to decide that there shall be provision for only six being sent out for further training in England. Now see the acuteness of this situation. There are more vacancies on the mechanical side. They have decided to take out of these six, four from the transportation (power) side and only two from the mechanical side, and they will send out these six for training in England. When these boys will come back, it will be said that there is no vacancy for four transportation (power) side trained apprentices while, when there are more vacancies on the mechanical side, there will be found only two qualified probationers. So there are many subtle ways of defeating our purpose. Sir, I do not like to be interrupted every time, so I shall close my speech by saying that there appears to be a systematic and scientific way by which the Indianisation of the higher services is being prevented by these great experts who are here to help Indians in carrying on the Railway Administration in India! Sir, with these words, I commend my motion to the acceptance of the House and hope that the cut of Rs. 1,50,000—which is the only substantial cut that the House may reasonably expect to discuss and vote upon—will be accepted by this House.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That the demand under the head 'Railway Board' be reduced by Rs. 1,50,000."

Mr. Amar Nath Dutt: Sir, if I rise to speak on this motion, it is not that I agree with my friend, Mr. Mitra, on all the points, but I agree with him substantially. Sir, my friend has shown how this amount of Rs. 1,50,000 can be reduced by the reduction of some Members of the Railway Board and some Superior Officers. Sir, if one compares the salaries that are now paid to the Superior Officers in the Railway Department as also in the other Departments of the Government, he will find that there has been an enormous increase in the amount of the salaries. Sir, formerly in the Public Works Department the Engineers' salaries were almost one-half of what they are getting now, though not exactly that, but I say almost half. There was a rise in the salaries owing to the rise of prices after the war, but for the last two or three years the prices have gone down to such an extent that not only a reversion to the original rate of salary, which was prevalent amongst officers of the Public Works Department, should be resorted to, but the salaries should come down still lower. Sir, I believe that where we can get the flowers of Universities—Ph. D.s and P. R. S.s—for Rs. 400 or Rs. 500 a month with the prospect of rising to Rs. 1,000 or Rs. 1,200 only, I think the maximum salary of any appointment should not be more than that. I know I will not have the support of those officers of the Government whose salaries are over that amount, but I challenge anyone to say that they possess that intellectual asset which these flowers of our Universities possess and who are satisfied with an ultimate prospect of reaching only Rs. 1,000 or Rs. 1,200 per month. Sir, it is preposterous that an ordinary graduate of a University should get Rs. 64,000 and even Rs. 80,000 a year under the present system of Government. I ask, how does that

compare with the salaries that are obtained, as I have said, by very brilliant graduates of our Universities! Similarly in the case of those who, after taking an engineering degree, choose to join the Public Works Department, from which the Railways have been separated since the year 1905, but which formerly formed part of that Department; and since my Honourable friend over there threatened us that he would not accept the post of Membership of this Department if he were to be saddled with the onerous duties that he thought would fall upon his shoulders, I may be permitted to remind him that his great predecessors before the year 1905—I mean the Member of the Governor General's Executive Council in charge of the Public Works Department—not only discharged the functions appertaining to the headship of the Public Works Department, but also other duties, and the Public Works Department consisted of several other sub-Departments, namely, Railways, Provincial Irrigation, Military, etc., all of which were in charge of the Member for Public Works Department in those days, and an Under Secretary with a Director-General of Railways and three Consulting Engineers were considered to be quite sufficient.

Sir, it is said that the mileage of the State-managed Railways has increased, but I would point out that the cost of the connected Secretariat has increased much more in proportion to the increase in the mileage, and certainly nobody would claim that as the mileage has increased, the number of officers will increase in the same proportion. That cannot be laid down as a sound proposition in the administration of the Department, which is to a certain extent a commercial Department.

Sir, in this cut, I am sure, my Honourable friend, Mr. Mitra, does not mean any reflection on the present Members of the Railway Board or for the matter of that, on the Honourable Member in charge of the Department, but, it being an economy cut, he only wants to point out the direction in which economy can be observed. Sir, I believe that since some time past we have been relieved of a certain type of answers which used formerly to be given to our questions in certain matters. Whenever we wanted to point out certain grievances in the form of questions, the invariable answer formerly was that the Agent was competent to deal with the matter, and either the Railway Board or the Member in charge of the Department replied in such a way that one could gather that they had anything to do at all with it. I am glad, Sir, that since some time past, since when my Honourable friend, Mr. Rau, and my Honourable friend, Sir Joseph Bhole, assumed charge of this Department, that that objectionable practice has ceased and in every matter we find we have reasons to be grateful to them, because we find that they have not only given answers, but also have taken the trouble to collect information which go a long way towards the removal of grievances. So I beg to submit that though my Honourable friend has moved this economy cut, he does not mean to cast any reflection on the present Member in charge of the Department or on the Financial Commissioner or the Members of the Railway Board. But what he wanted to point out was that the expenses could be curtailed. Sir, if my friend has only put this cut to show how the expenses can be curtailed, I think there are other matters to which their attention can be drawn in the same way as he has done and much of the expenses of the Railway Administration can be reduced in that way. It may be that the Honourable Member in charge and his Financial Commissioner will catch hold of every opportunity of effecting such economy, but at times it may be necessary for us to point out what

1062

LEGISLATIVE ASSEMBLY.

[24TH FEB. 1933.]

[Mr. Amar Nath Dutt.]

we think. It may be that we are not offering any expert advice, for it is impossible for us to offer any expert advice on these matters. But we point out what ordinarily appears on the surface to a layman, and some economy can certainly be made. Even if it is to the extent of Rs. 50,000, we shall be satisfied.

In this connection I may also draw attention to the fact that economy can be effected by attempting to make the guaranteed lines, which do not pay, more paying by extending them to certain places. For example, I can give the example of a particular line for which a guarantee of four per cent. has been given, but which is run at a loss at the present moment and formerly did not yield more than two per cent., I mean the Bankura Damodar River Railway. If the Railway Board had taken the trouble to visit this line, even laymen like ourselves would have advised them not to construct this line or to construct it in such a way that it may be paying, namely, by connecting it with some principal district town or sub-divisional town, so that the line may be paying. But 60 miles of line has been constructed with a guarantee of four per cent., and, if only 20 more miles had been constructed, there would have been no loss. In these small matters we formerly drew the attention of the Railway Administration, but no heed was paid to it. I submit that they may enquire about it with profit. It may be that we are not correct, and we will be satisfied if it is shown that we are not correct, but to an ordinary layman it appears that such economies can be made if they make inquiries about these things. With these words, I support this motion.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I do not as a rule agree with my Honourable friend, Mr. Mitra, in his attacks on Government, but I am glad to take this opportunity of joining him in the criticisms he has offered on the floor of this House against the Railway Board. I do this not in a carping spirit. In doing so, I am not sure what position I occupy, as remarked yesterday by the Commerce Member,—that of the lion, the lamb or the child. I am merely a seeker of economy, but I do not know what I should offer as my sacrifice on the altar of economy or expediency: a B(h)oar's head or a "Rau": Colvinised or galvanized!

My Honourable friend, Mr. Mitra, criticised the Railway Board in that it did not act upon the recommendations of the Acworth Committee. I have no doubt the Railway Board can adduce reasons why it replaced its Members by Directors and aided its Directors by Deputy Directors to the extent it has done. But it seems to me that whatever be the composition of this Board, its energies are entirely centred on wealth and nothing on the health of its employees.

I desire to ask why the Board has no Director in charge of its Medical Department while all other Departments are represented on the Board whose members draw salaries more than those of the Prime Minister of England, because, if you deduct income-tax from the Prime Minister's salary, you will find that a Member of the Railway Board receives a higher salary than he does. To my mind, the Railway Board has neglected the Medical Department on the Directorate. Now, Sir, how is the Medical Department on Railways administered? We find scattered over the State Railways five Chief Medical Officers controlling 38 District Medical Officers. The total pay of these five Chief Medical Officers comes to about Rs. 12,000

a month excluding their other allowances, cost of their saloons and excluding other expenses incidental to their appointments. Now, Sir, the posts of these Chief Medical Officers, as I said the other day, in some cases, are sinecures; they are nothing else but post offices for their District Medical Officers; the people who do the real work are the District Medical Officers, but the Chief Medical Officers draw in comparison fat salaries.

Mr. N. M. Joshi: Sir, on a point of order. May I ask you whether this is really an economy speech? We are now discussing the Railway Board.

Mr. Chairman (Sir Hari Singh Gour): It is an economy speech, but has nothing to do with the motion in hand.

Lieut.-Colonel Sir Henry Gidney: I hope I will prove to you, Sir, that it has more to do with economy than mathematical calculations, stressed before this House yesterday by Mr. Joshi, about the accommodation and size of first-class carriages. Sir, I desire to point out to you, and I hope to this House, that it has a very close bearing on the motion before the House in that the Railway Board should reduce its number of Directors or replace one of these Directors by one Director in charge of Health. Moreover, Sir, it is camouflaged economy to reduce the number of their Members and increase the Directors and Deputy Directors. It is taking or retrenching with one hand and giving or spending with the other. Sir, I submit that, if the Railway Board is really anxious to economise, it will economise more by closer attention to the Health Department by appointing a Health Director and abolishing all C. M. officers than by squandering their wealth, in increasing their Directorate in other unnecessary directions. My advice is to do away with all the Chief Medical Officers on State Railways, and replace them by one Director of Health responsible to the Railway Board for the medical administration, just as is done in the civil administration of this country. This is one of the many reasons why I support this motion, though not to the extent of Rs. 1,50,000. I do hope my suggestion will receive the serious consideration of the Honourable Member in charge of this Department and that he will inquire into this matter. Despite what their Agents may say, despite what anybody else may say, there is not the slightest doubt that they can reduce their Directors and replace at least one of them more profitably and economically by creating a Director of Health on the Board, who could surely control 38 officers and the entire Railway Medical Service and so save lakhs of rupees annually.

Kunwar Raghbir Singh (Agra Division: Non-Mukammadan Rural):

Several Honourable Members have criticised the Railway 12 Noon. administration and shown that it is not ideal. Sir, I will go a step further and say that it is not satisfactory. I say, as pointed out by Mr. S. C. Mitra, that Indianisation has not received that consideration which it deserves, even though the Honourable the Railway and Commerce Member and the Financial Commissioner, Railways, are Indians. I do not agree with the wording of the amendment as proposed by Mr. Mitra. He says "Reduction in the number of Members of the Railway Board". If this reduction were to be in the same manner as in other Departments and in other offices, then, Sir, I am afraid, Mr. Rau will have to go because reduction always falls on Indians and, as he is an Indian, he will be reduced. Therefore, it will not be in the interest of us, Indians, to have reduction in the Railway Board.

[Kunwar Raghubir Singh.]

The administration of the Railways is very costly. Top posts are highly paid. When Government say that the income of the Railways has been falling, I say the expenses should be according to the income. When the income has fallen, there is no reason why the expenses should not be curtailed. Then, Sir, public convenience has not been paid attention to in spite of the fact that we have been impressing upon the Government and the Railway Board to provide more conveniences to passengers to make the railway travel more attractive, but they have not done so. The condition of third class passengers continues to be the same as it was many years before. There is not the slightest betterment in their condition. The overcrowding in third class also continues as it did before

Mr. Chairman (Sir Hari Singh Gour): I hope the Honourable Member will now confine himself strictly to the matter germane to the present motion.

Kunwar Raghubir Singh: I was showing the lack of good management by the Railway Board in connection with this motion. I laid last year great stress on the cleanliness of railway carriages and it has not received any attention whatever. Moreover, Sir, the education of the children of the Indian railway employees has not received any attention during the year under review. Last year I said that the Railway Board did a wrong thing in bringing the old O. R. R. stock on the E. I. R. main line and it continues. Therefore the trouble can be imagined by those who were living on the main line. The question of return tickets has been engaging the attention of every Honourable Member and the Railway Board has failed to remove this grievance. On the G. I. P., which runs in a part of my constituency, there are no return tickets; so also in the B. B., and C. I. Even on the E. I. R., it has been restricted considerably to week-end return tickets. There were formerly, Sir, eight monthly return tickets and monthly return tickets, but they have been done away with. Sir, in my constituency there is a district, Etah, where there is no Railway. In provinces where there are so many lines, new constructions are taken in hand, but where there is no railway, they do not look to their need.

Sometime ago, I put a question about the discharge of railway employees and the answer given was that "it was not in public interest to give the reasons of discharge

Mr. Chairman (Sir Hari Singh Gour): Order, order. Honourable Members are aware that we have already had a censure motion discussed and the general grievances connected with the Railway Board. This is not a censure motion, but a pure economy cut, and Honourable Members have, therefore, to give reasons for effecting economy apart from any grievances which have already been the subject of two days' debate.

Kunwar Raghubir Singh: Sir, the grievance against the Railway Board is that they are a *purdhanashin* body. (Laughter.) They are unapproachable to the layman, but, if the House won't mind, I will tell them my own personal experience. When I was going to Simla, I was walking over the platform as there was some time left for the train to leave for Simla. There were some policemen standing on the platform to check my progress. They said that the Railway Board Members were in the saloon there and

so nobody could go that side. So, Sir, they should be more amenable to the public than they had hitherto been. Sir, the House honoured me by electing me to the Railway Advisory Council last year, but it has never met, while the Provincial Committees have met

Mr. Chairman (Sir Hari Singh Gour): With the utmost desire of giving the widest limit to Honourable Members, I feel constrained once more to remind the Honourable Member that all these points have already been the subject of the general discussion on the Railway Budget debate. We must now strictly limit this discussion to economy cut.

Kunwar Raghubir Singh: I have nothing more to say, Sir. I only wanted to give vent to the grievances that are existing, and to show why economy is necessary.

Mr. C. S. Ranga Iyer: Sir, I am grateful to you for your ruling that the debate should be definitely confined to the economy aspect and that the cut should be treated as an economy cut. If this policy is pursued, it may be that the wrong done to certain Members on my side, who did not have an opportunity to talk on the general policy and administration under the extraordinary cut yesterday, may be remedied and it may be that they may have an opportunity to raise a discussion which they wanted to raise under the token cut of which they had given notice. This ruling of yours, Sir, will prevent the tyranny of the majority acting adversely against the gentlemen who wanted to speak yesterday. (Hear, hear.) I need only say that my friend, the General Secretary of the Independent Party, who has moved this motion on behalf of his Party, will not press it to a division if the spirit of his motion is appreciated by Honourable the Commerce Member and that spirit is nothing less and nothing more than the ruling that you gave, namely, that an economy cut expects the Government to work economically in the direction of introducing economy so far as it is possible for them to introduce it

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): And also economy in time.

Mr. C. S. Ranga Iyer: and my Honourable friend, Sir Cowasji Jehangir, rightly says, economy in regard to spending the time of the House. If he insinuates that I am uneconomical, I may tell him that I did not take part in the general discussion on the Railway Budget, and I may also say that I did not take even ten minutes in the only speech that I have delivered so far in this Budget discussion, because I was animated by the aspiration that others to whom he denied the opportunity to speak yesterday by the vote that he gave should have today their opportunity. I was only going to mention one fact and that is a fact which I brought before this House as early as 1926, when Sir Clement Hindley interrupted me in regard to my observations. Then I showed that there is a great disparity, a great disproportion in the wages of the higher officers in the Railways in India and of the lower paid people, a disparity unknown in any other part of the civilised world

Captain Sher Muhammad Khan Gakhar (Nominated Non-Official): There was no ten per cent. cut at that time.

Mr. C. S. Ranga Iyer: My Honourable and gallant friend from the Punjab rightly says, there was no ten per cent. cut, but if he calculates the figures that I give even in the light of the ten per cent. cut, he will find that the disparity does exist. This is how the disparity works. In Holland it is 1 to 7; in Italy it is 1 to 6; in France it is 1 to 13; in Japan it is 1 to 22. In India it is 1 to 400. It is time that the Government realised that things are done in the direction of economy. Mahatma Gandhi two years ago indicated that he looked forward to the day when the highest official in the land will get only Rs. 500. (Hear, hear.) He made an exception in regard to technical officers and technical men; men associated with the Railway Board have technical knowledge or are expected to have technical knowledge; but, at the same time, while Mahatmaji himself may not enforce his Rs. 500 in regard to these experts still it is time that the Government visualised the future and did something in that direction—if not of enforcing economy—for I realise the Honourable the Commerce Member cannot enforce economy straightaway when the whole of the constitution is in the melting pot and I know the difficulty that he has in giving a straight 'yes' to what we want on this side of the House. Our object, however, is to make him visualise the future and I hope he will visualise the future when he replies. (Applause.)

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, the Honourable Sir George Schuster, while discussing the Army demand last year, clearly mentioned that there were two kinds of economy, the economy due to economic administration and the economy due to change of policy. As regards the economy due to economic administration, I am afraid, that there is nothing more to be done so far as the Railway Board is concerned. The Railway Retrenchment Committee went very deeply into this question and they expressed their opinion and made certain suggestions. No doubt all their suggestions were not carried out, but most of them were accepted by the Railway Board; and as far as I can see, it is not possible to have further economy in the case of the Railway Board simply by economic administration. But when we come to have change in the policy, it may be possible to have some kind of economy in the Railway Board. But really speaking, if economy of administration is possible, it is in the operation and administration—Demands Nos. 4 and 5, and not in the Railway Board. We are very sorry that we will not have an opportunity to discuss the administration and operation in this Assembly on account of the peculiar way in which the Government allotted days for the discussion of the Railway Budget in this House, with the result that Demands Nos. 2, 3, 4 and 5 are reached only at the guillotine stage. Had the Governor General in Council fixed definitely one or two days for Demand No. 1, we would have been able to discuss on the third and fourth day other demands; but the way in which the whole thing is now planned for us, it will not be possible for us to discuss the administration and operation; and under this head certainly we can have a very big and substantial saving by economic administration. But so far as the Railway Board is concerned, I am sorry we have done all that we could possibly do and no further economy is possible. We may have any number of token cuts to emphasise our grievances, but by economic administration, I am sorry, no further saving can be effected, although by a change in the policy it is quite possible that we may have further economy; and it is this point which my Honourable friend, Mr. Mitra, has brought out and which I want to take a few minutes to discuss.

Take the question of scales of salary first. The Honourable Sir Harry Haig, the Home Member, on the floor of this House said that a special officer was looking into the revision of the scales of salaries of the Railway Department as well. I do not know how far it is true; but I believe that the scale of salaries of new entrants is being considered by the same or another officer, and I would like a clear pronouncement from the Honourable Member in charge of Railways on this particular point. The one mistake we made and which was unavoidable in earlier stages was that in the case of the higher posts the salaries were fixed by the consideration of the market value of officers of the required ability and requisite qualifications. It was found that we cannot get a man of the requisite qualifications under specified pay and that is fixed as unity; and on that unit the salaries of other officers were calculated. That may have been found workable in the old days when the number of Indians were very few; but now on account of Indianisation of services and when more Indians are available, the case is very different and I think we should now change the policy and fix the scale of salaries, not on the standard on which you can get Europeans, but on the standard on which you can get Indians. (Of course I do not advocate that we should not have Europeans. Have as many Europeans as you like and give them special allowances under the name of—personal allowances or overseas allowances—an allowance of 500 to 1,000 or even an allowance of 2,000 as personal allowances in addition to the ordinary salary—I would not grudge it; but what I would like is that the ordinary scale of salary should be fixed on the Indian requirements, and the special allowances may be given to the Europeans. The result of fixing the salaries on the European scale, as I have described above, is that on one side you pay high salaries to Indians and on the other side you increase the ratio of maximum and minimum to a very high figure. My Honourable and gallant friend has given the figures of disparity between the two . . .

An Honourable Member: He is not gallant: he may be learned.

Dr. Ziauddin Ahmad: I shall not challenge that: I am concerned with facts, but I do not challenge the words: he gave to the House the figures and showed that there was a great disparity about the scale of salaries paid to higher officers and to the servants in the lowest grade. This is not only so in the Railway Department, but in other Departments as well. Some time ago I got the figures for the Education Department. The ratio between maximum to minimum is about 20 in England, 10 in Germany and France and one to 300 in India. I noticed that the ratio was approximately the same in Railway as it is in education; and this abnormal discrepancy is due only to this reason that in the case of the higher posts, the unit in the scale of salaries is fixed by the amount of pay on which a European of the requisite qualifications can be recruited. I am sure, if the salaries are revised in the manner already suggested by the Government of India for other Departments, and if my friend, Mr. S. C. Mitra's suggestion is accepted, it will then be possible to reduce the expenditure in the Railway Board. I am afraid that unless we have a change in the policy, there can be no room whatsoever to effect any substantial reduction in the expenditure of the Railway Board. We may move any number of token cuts and urge our grievances, but a substantial cut is not possible at present unless there is a change in policy. I was a Member of the Retrenchment Committee, and with Mr. Rau I went very

[Dr. Ziauddin Ahmad.]

closely into all expenditure in the Railway Board, and we did what we could possibly do, but in certain matters like the running lines, operation and administration, where there is an enormous amount of expenditure we could not do anything, because the Railway Department considers this to be a preserve. They take it for granted that none but railway men can understand the questions relating to operation and administration, and they never allow any non-railway man to go anywhere near these items. When the Retrenchment Committee was appointed, it was not permitted to go and examine the expenditure in the administration and operation

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran: Non-Muhammadan): Why did you not protest as Members and come away?

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): Who prevented you from going into those matters? Who refused you to look into those matters?

Dr. Ziauddin Ahmad: Some Honourable Members want me to explain the point. I am afraid I must discuss only the result and not deal with all that passed in the committee.

Diwan Bahadur Harbilas Sarda: Who did not allow you?

Dr. Ziauddin Ahmad: In any case, the Committee, for certain considerations, itself decided

Mr. F. E. James (Madras European). What consideration?

Dr. Ziauddin Ahmad: I am sorry I cannot discuss the details of the proceedings of the Committee. What happened was this. The members of the Committee, appointed by the Retrenchment Committee, resigned one after another, and their places were not filled up. My point is that the Railway Department considers that the question of operation and administration could only be understood by railway men and not by laymen. This is a proposition which I for my part cannot admit for a moment, and I think that non-railway people should also have an opportunity to find out what may be called the eccentricities of railway experts, because, as I said before, all experts are eccentrics and I do not exclude the railway men

Captain Sher Muhammad Khan Gakhar: The Honourable Member in charge of the Railway Department is not a railway man.

Lieut.-Colonel Sir Henry Gidney: He is concentric.

Dr. Ziauddin Ahmad: He was not then in charge of the Railway Department. Therefore, my conclusion is that as far as the Railway Board is concerned, there is no room for further economy unless the policy is changed, but there is substantial room for economy by economical administration in the administration and operation of the railway lines.

Seth Haji Abdoola Haroon (Sind: Muhammadan Rural): Sir, I have seen the cut moved by my friend, Mr. S. C. Mitra, and I whole-heartedly support it. Unfortunately, I find that in the demands there are some amounts which are voted and others which are non-voted. It is not my purpose on the present occasion to oppose the Railway Board's demand, nor is it my desire to speak on the question of Indianisation or to support the claims of Mussalmans in the service of the Railway Board, but I support this motion, because I feel that the Railway Board is not managed on business lines. If Honourable Members will go through the Memorandum which has been supplied to us by the Railway Board, they will see how they are conducting the affairs of the Railway Board. If this Railway Board had been working under the auspices of any public or private limited Company or any such body, I think the Members, who are responsible for presenting this memorandum, would have been called upon to resign their offices, or at least the shareholders would have compelled the authors of this memorandum to resign their posts. A glance at page 1 of this memorandum will show the results of the working of the Railway Board from 1924-25 to 1933-34. In 1924-25, the Railway Board were managing about 27,000 miles running line, whereas today they have to look after a total mileage of 31,800. And what are the financial results? In 1924-25, deducting the ordinary working expenses, the net traffic receipts were 38 crores and one lakh, whereas in 1932-33, the traffic receipts are 25 crores and odd,—or rather the net receipts went down by about 50 per cent. Then, again, if you will go through the working expenses, you will find that in 1924-25, the expenditure on account of working expenses came to 51 crores and odd, whereas today it is 49 crores. It will thus be seen that when the income went down from 38 crores to 25 crores, they were able to reduce expenditure to the extent of two crores only. I do not think, as a business man, I can say that the Railway Board is conducting the administration on strictly commercial principles. I am sorry to find that the Railway Board are merely giving figures and they are not explaining any details in the memorandum sent to us as to how the income has gone down, nor do they point out as to what they propose to do to manage the affairs of the Board more economically. Then, again, I find that in 1924-25 we had to pay 23 crores and odd rupees as interest, whereas we are paying now 32 crores. If things are managed in this manner, I do not know how we will be able to get on. With these observations, I support the cut motion of my friend, Mr. Mitra.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): The motion before us is for a reduction in the number of Members of the Railway Board and in the pay of the Superior Officers of the Railway Board. A lakh and 50 thousand is asked to be retrenched from these two items. At present I find that the salary of Members of the Railway Board is non-voted and cannot be put to the vote of the House. The result is that this lakh and 50 thousand will be taken away from the Superior Officers of the Railway Board. It is only a lakh and 47 thousand that can be voted upon, and I cannot see how my friend wants to reduce one lakh and 50 thousand. I do not see how this can be justified or how it can be entertained by any man who has got any idea that the Railway Board has to run at all.

Mr. Gaya Prasad Singh: So you support Government?

Mr. Muhammad Yamin Khan: You wait and see. I cannot support a non-sense motion.

Mr. Amar Nath Dutt: On a point of order. Is any Honourable Member entitled to speak about the motion or Resolution of a Member of this Honourable House as silly or non-sense, and so on

Mr. Muhammad Yamin Khan: Every motion which has got no sense in it is a non-sense motion. Here is one which, I find, has got no sense at all. If the Superior Officers are to be abolished, I cannot see how the work can go on. Last year we had the similar cut of a lakh of rupees and the result was that the inferior staff was abolished and no harm was done to the people who enjoyed the privilege of having their salaries not voted by this House. I think it is very desirable that Honourable Members should investigate beforehand what they are going to move and whether it will have the desired effect. Here is a motion which can never achieve the desired object. On the other hand it will directly negative their very object. I think Honourable Members are not serious when they move or support this motion. So, I oppose this motion and I hope that the Honourable Member who moved it will withdraw it and will not waste the time of the House on a thing which is impracticable.

Diwan Bahadur A. Ramaswami Mudaliar: Mr. Chairman, I had not intended to intervene in this debate, but the speech of the Honourable the Leader of the United India Party, shows such little realisation of Parliamentary procedure and particularly of procedure relating to demands for grants that I think a little light on these subjects may help any Member situated as he may be in this House to understand the need for such motions. I may at once say that I am not supporting this motion. But, I think it is only fair to my friend, Mr. Mitra, to say that there is nothing un-Parliamentary, nothing objectionable, nothing wanting in sense in the motion that he has made. My Honourable friend referred to a cut of one lakh that was moved last year and was carried. What was the result of that cut? The result was that one of the non-votable posts was abolished. It is a very common expedient which has been resorted to both in the Provincial Legislatures and in this Legislature—that when you do want to attack a non-voted post and have it abolished, the only method resorted to by Honourable Members is to give the cut under the voted item. It is clearly understood by the Government, it is certainly intended by those Members who make the motion that the whole of this amount should not be found from the voted list, but it should really be found from the non-voted list. This elementary fact the Honourable the Leader of the United India Party has not been able to realise after several years of experience as a Member of the Legislature. I do not want to carry on this discussion. I just wanted to intervene, so that a little light may be thrown on questions like these.

Mr. Lalchand Navalrai: I have a similar motion and, according to Mr. Yamin Khan's test of sense, it is a question whether I have got the sense to put such a motion or not. But after the speech of Sir Mudaliar (Laughter), I think it must have been a very clear lesson to the Honourable Member from Meerut to distinguish between what is sense and

what is not sense. He should judge for himself and I will not use any unparliamentary word towards him. Anyway, it will be clear to the House that this is really an economy cut. For the last two days we have been asking for the whole loaf for economy by the total abolition of the Railway Board. However, we did not get it and so let us now try for half a loaf. (A Voice: "Quarter of a loaf.") We shall be satisfied even with a quarter of a loaf. Where there is a will, there is a way. I know, under the present constitution, the Treasury Benches have got the upper hand and we can only criticise and make our suggestions. I hope sense will prevail and the suggestions that have been made in this House will be taken advantage of.

In connection with this economy cut, the first thing I will suggest is that the office of the Chief Commissioner for Railways should be abolished. That is a serious question which the House should consider. I for myself would like that the Chief Commissioner's post should be abolished. I will explain. My humble submission is that the post is more or less a channel through which mostly papers only pass. I know of a particular case with which I had to deal in the Railway Board. There was the case of one Assistant Engineer who had been retrenched. He was one Mr. J. N. Mehta. I considered his case to be very hard and I had to approach the Chief Commissioner with regard to this question. The Chief Commissioner sent on the papers to the Member of the Board in charge. They came down to the Director who returned them to the Member who eventually returned the memorial with his remarks to the Chief Commissioner for submission to the Honourable Member in charge of the Railways to whom the memorial was addressed. Now, I know what was done in the office of the Chief Commissioner. When the papers went to him, he simply forwarded them on to the Member in charge of Railways. Is this procedure not a channel or a post office business, I understand that there is one objection that has been raised by the Member in charge of Railways that this gentleman is also an Engineer and an expert. May, I not ask, if that is the objection, then, that objection can be met in one way if there is an agreement

Mr. Chairman (Sir Hari Singh Gour): Order, order. The House will now adjourn for Lunch till Two of the Clock.

The Assembly then adjourned for Lunch till Two of the Clock.

The Assembly re-assembled after Lunch at Two of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Mr. Lalchand Navalrai: Sir, I have no desire to lengthen my speech unnecessarily and I have also no idea of standing in the way of the token cuts being discussed, for I am waiting to hear the fair and unfair remarks of my Honourable friend, Mr. Maswood Ahmad, on the several token cuts with regard to the paucity of Muslims in the services. Therefore, Sir, I will take the advice of Sir Cowasji Jehangir and observe economy of time, and lay down an example for the Railway Board to

[Mr. Lalchand Navalrai.]

observe economy in expenditure. But, before I proceed, I owe a word of explanation to Diwan Bahadur Ramaswami Mudaliar. Sir, in the early part of my speech, referring to his exposition of the procedure of the House, I unconsciously did not address him properly. I have good intentions towards him and the wish is the father to my thought and my "Sirring" him may be a precursor to that title. Now, Sir, I was submitting before the House that the first economy that should be made in the Railway Board staff is the abolition of the Chief Commissioner's post and I say that if the place of the Chief Commissioner is indispensable, the alternative is that one Member should be reduced. If that is also not possible, then the question of Indianisation comes in. By Indianisation I do not mean Anglo-Indianisation, because Anglo-Indians are there already in an overwhelming majority in the Railway services. What I mean is that if the Chief Commissioner's post is retained, there ought to be an Indian there. It cannot be said that there are no expert Engineers in India. It may be said that I am making no economy in that; but I do say that if an Indian is placed in that post, he can be secured on a smaller salary than is now paid to the Chief Commissioner. I should make it clear that I have no objection to Sir Guthrie Russell personally; on the contrary, I have some regard for him for the courtesy he always shows to those who go and place matters before him. So I submit that the place which now carries a salary of Rs. 5,000 should carry Rs. 4,000, and thus we can save Rs. 1,000. If one of the Members who are drawing Rs. 4,000 is retrenched, that will be a saving of Rs. 4,000 more. Then we have at present five Directors drawing Rs. 2,500 to Rs. 3,180. I myself personally think that if the work of certain Departments is amalgamated, and given to these Directors, the number can be reduced. I am not an expert in these matters, but I think we should have an explanation from the Railway Member to show that without these five Directors in the Board the work cannot be carried on. It should be shown what work they have been doing and whether the work of two cannot be amalgamated and go to one. Then a suggestion was made that the number should be reduced from five to four. The suggestion that I have made will reduce them to three. So there will be a saving of Rs. 5,000 from that too. Consequently there will be a change in the five Deputy Directors also.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Chair does not think the details are very relevant.

Mr. Lalchand Navalrai: I will not go into the details, Sir. I make a passing remark with regard to the establishment in the working lines though it does not come under this head of demand No. 1 and comes under demand No. 4. But in relation to the Railway Board, I would refer to it and make some suggestions. Sir, when I say that it would be in relation to the Railway Board reduction, I submit that at present the working in the Agents Offices and Divisional Offices is being carried on separately by several officers whose posts can be amalgamated and the work done by one officer instead of two. First of all, I should say, if the work of the Medical Department is amalgamated with that of the Civil Department, as it was before, there will be lesser work in the Board, as also there will be economy.

Sir, then let me first of all take the question of the Medical Department. We know that the Medical Department of the Railways formerly was in the hands of the Civil Department

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Chair already warned Honourable Members that the questions of different cuts, retrenchments to be effected and Indianisation are not material to this issue and that Honourable Members should confine their remarks to the economy cut as such.

Mr. Lalchand Navalrai: I submit to your ruling, Sir. But the question that I am dealing with at present is nothing but one of economy. So I have said that if the Medical Department is joined with the Civil Department, there will be much economy even in the Railway Board, and it is from that point of view that I referred to it. I am not referring to any particular grievance, although I have a particular grievance, i.e., that there are no Sindhi Medical Officers, in the higher Railway Medical Service in Sind, but that is a question which will come under other head. What I am at present submitting is that the Medical Department should be reverted to the old system of carrying on with the help of the people borrowed from the Civil Department in which way the work went on very well. Then, Sir, one word more in regard to the amalgamation of other officers. At present I submit that the Traffic Department and the Commerce Department may easily be joined and given in charge of one officer. Sir, I know personally—I am not talking only on hearsay information—how the work is going on in the Agent's office, and I submit, therefore

Mr. N. M. Joshi: We are not discussing that

Mr. Lalchand Navalrai: No. This is only to support the economy measure. I am not coming in the way of your getting up to speak, and I am not touching the question of the railway third class passengers for whom I have also my sympathy, because there are not even lights provided in the latrines of their carriages. Sir, what I submit is that if the Railway Member is sincere in effecting economy, the amalgamation of the working administration with departments on the lines will give us a good reduction both in the number as well as in the expenditure. Sir, I close.

Mr. N. M. Joshi: Mr. Chairman, I do not wish to speak at length at all. I have risen just to say that although I have great sympathy with the objects the Honourable the Mover of this motion has in view, namely, that the salaries of the high officers should be cut down, I really cannot vote for his motion. I feel, Mr. Chairman, that the motion which he has made is like an aeroplane stunt, full of dangerous possibilities. His object is that the Government of India should cut down the highly paid posts. My experience has shown that whatever may be our object, when we propose cuts of this kind, the Government of India take advantage of this and they do not reduce the number of highly paid posts, but they reduce the number of clerks and Superintendents.

You will remember, Mr. Chairman, that some years ago a similar cut was made with the result that the Government of India did not reduce even one single post of an Officer, but reduced the Superintendents and

[Mr. N. M. Joshi.]

clerks by dozens. I, therefore, feel that the motion which he has made is not a proper motion and is full of dangerous possibilities. One word more as regards the proposals which my friend, Mr. S. C. Mitra, has made. He suggested that the number of Members of the Board should be reduced, but he has no objection to the number of Directors being increased. My own feeling in this matter is that it is much better to reduce the number of Directors who are after all subordinate to the Members of the Railway Board, instead of reducing the number of the Members of the Railway Board. The Members of the Railway Board have got greater authority to dispose of business than the Directors. From the point of view of the public, therefore, it is much better that there should be a larger number of officers who are authorised to transact business without making reference to higher authority. Our own experience is that on account of the reduction which has already been made it is difficult to receive replies from the Railway Board in time and, if we still further reduce the number of Members of the Railway Board, the business will accumulate and the public will suffer. I, therefore, appeal that it is much better to reduce the number of the Directors who, after all, will possess much less authority to dispose of business on their own responsibility than the Members of the Railway Board. I, therefore, appeal that if any economy is to be made, it is much better that the economy should be made by reducing the number of Directors than the number of Members of the Railway Board.

Mr. S. G. Jog (Berar Representative): I am very grateful to the Chair for the opportunity given to me. When there was the general discussion on the Railway Budget, I did not seek myself any opportunity to offer any observation, as I, for one, think that a desultory and rambling discussion on general lines leads nobody anywhere. The Member-in-charge takes very little notice of the observations and the Members themselves do not stick to any particular point, with the result that no attention is paid to general observations. I also paid attention to the remarks made by my friend, Mr. Yamin Khan, that people have taken unnecessary time and have not said anything to the point. So I did not take the opportunity of saying anything when the general discussion was going on. Then, later on, when the first cut motion was made and heat was radiated on account of the coal trouble, which probably in today's weather might have been more welcome, the Honourable the Commerce Member, I think, is in a better mood when he found that confidence has been established owing to the rejection of yesterday's cut motion, may I bring to the notice of this House what is the essential for the time being, so far as the administration is concerned?

If you take the whole thing into consideration, you find economy, economy and economy everywhere: economy in the Railway Board, economy in the Superior Services, economy in all the Departments. I do not restrict myself only to the Railway Board, I do not restrict myself to the Superior Services or to the other Departments. What we have to do and the most important thing is not only to preach, but to practise economy and make all possible efforts in that direction. It is no doubt true that the Commerce Member is working under a great handicap. He has got the legacy of old debts, when the Railway people and the people in charge of the administration had extravagant ways and indulged in extravagance;

he has now to pay the penalty and to see that the whole house is kept in order. The only remedy now left for him, if he wants to have a balanced Budget and a good Budget for the next year, is to have economy in all the Departments and in all the branches of the Departments.

Now, take, for instance, the Railway Board. When the pay of Members was fixed and when their number was fixed, those were days of plenty, and when probably you had no idea that in all possibility a day of difficulty might come. It is immaterial, as to whether it is due to depression or whether it is due to political circumstances, but the fact remains that there is depression year after year. Year after year we are having deficit Budgets. You have already got rid of the sinking fund; you are already encroaching upon the depreciation fund; but how long all these funds will save you, I cannot say. They are practically leading to bankruptcy; they are leading towards disaster. But how long will you continue under these circumstances? Is it not necessary for the first Indian Member for Railways particularly to think of the situation from the Indian point of view, and has not the time come that you must take courage in both hands and take bold measures and effect economy in all Departments? That is the only way of doing things. Show it by your own example and by reducing the pay of the Officers of the Railway Board to start with and setting an example to the other Departments also.

As regards the Superior Officers, a cry has been raised, I think, since the time when the late Mr. Gokhale was here, that the Railway Administration is a peculiar instance of extravagance. Complaints have been made from year to year, but no proper heed has been given. Now, we have reached a stage, we have reached a critical moment, we have reached a crisis, when not only this side of the House, but even the Commerce Member and his Department have to take stock of the whole thing and apply their minds very seriously. It is no doubt true that we have not passed a censure motion against the Commerce Member on the understanding that he is now in his first year of office and we must give him sufficient time and trial as to how he exerts himself during his tenure of office. Probably, next year, if he comes with the same tale, he will have to face an ordeal. Of course he has guaranteed or said that whatever criticism or comments have been passed in this House will receive his careful attention and that next year he hopes to bring in a balanced and good Budget before the House. This year will, therefore, be a critical year for him. The scale of pay for these Officers was fixed at a time when there was no public criticism, and they fixed the scales according to their own ideas. But the time has come now when India and, especially, the Railways, if they are to be run on commercial lines, cannot afford to bear the burden of this high rate of pay. It is absolutely necessary that the pay of these Superior Officials must be reduced. I for one have no mind at present to give any constructive proposals as to what should be done. It is for the Department to find out as to how much is necessary if you want to carry on the Railway Administration on really economic lines: it is for you to sit together and put your heads together and find out as to how much economy can be effected.

Another line of economy, which I might suggest, is this: if you really make an effort and train Indians for these Superior posts, I think Indians will remain content with even 2/3rds or even one-half of the pay just now given to these Superior Officers. The style of living of an Indian is entirely different from that of European officers: European officers

[Mr. S. G. Jog.]

probably may not remain content: according to their ideas of living,—they may require much more pay; but we, Indians, will not require so much pay, and, on this side of the House, we can give you an assurance that Indians of the same quality and with the same efficiency will be prepared to work on much less pay and that is a direction in which economy can be effected. But what are the facilities given for the training of Indians? What have you done for them? I know the Commerce Member may give me a reply that so many Indians have been trained; but is that sufficient progress? It is not sufficient progress. Again, I may bring to the notice of this House that even in cases, where you have trained people, you have not been able to accommodate them in the services. I have got a few cases in my pocket and I hope they will soon come out of my pocket and I will show that in many cases people, who were taken as apprentices and who have finished their courses, have not been accommodated. I myself have been trying for a case—I do not want to give the name—and I have sufficiently spoken about it to my friend, Mr. Rau, and I hope he will redress my grievances. My friend, Mr. Lalchand Navalrai's grievances have been redressed to a considerable extent, but mine have not been redressed even to the extent of ten per cent. I have no mind to go into details. My friend, Mr. P. R. Rau, sufficiently understands what I mean. I still hope that within a short time he will see that my wrong is redressed. What I mean to say is that Members in charge of the Railway must see that more facilities are given for training to Indians and they must also see that they are accommodated in the Railways.

There are many other directions in which economy can be practised. I have given a few cuts as suggestions for giving the Railway Administration more income. I have no mind to go into details: I would like to draw the attention of the Honourable Member to the several cuts which are not cuts with a view to bringing any censure motion or with a view to offering criticism or comment, but if he goes through all those cuts, he will find that they are more or less of a constructive nature. If he follows those instructions, I think they will go a great way in improving the revenue of the Railways. In my own province at Amraoti, the place of my residence, there is a small station at Badnera and there is a motor bus service between Badnera and Amraoti during the last so many years on account of not giving proper facilities to the people going from Amraoti; a lot of difficulties is put in their way. I have made several constructive suggestions and, if you will follow them, I think it will considerably improve the revenue of the Railways. I have no mind to detain the House any longer, but I will earnestly request the Member in charge to pay proper attention to all these things and see that they are remedied.

Honourable Members: The question may now be put.

Mr. Chairman (Sir Hari Singh Gour): The question is that the question be now put.

The motion was adopted.

The Honourable Sir Joseph Bhore (Member for Commerce and Railways): Sir, my Honourable friend, who moved this motion, left, if I may say so, many crevices in his armour. But I wish to avoid taking advantage of those crevices. I wish to raise no debating point, because,

if I did so, it might give the House an erroneous idea that I was against economy or that I resented any suggestion that economy might and ought to be made. I think Honourable Members will do me the justice of believing that that is very far from my thoughts. My Honourable friend, Mr. Mitra, and I are on common ground; for, what we are both striving to do, I think, is to secure economy in the interests of the country. I have already expressed the view in this House that what we all need, not merely in the Railway Department, but in every Department of Government, is relentless pressure to secure economy, but economy that will not sacrifice efficiency. Now, if I deliberately refrain from, as I said, making debating points and giving answers which might be conclusive on minor points that have been raised, I do hope that the House will not really mistake my position. May I point out that my Honourable friend was perhaps under a misapprehension when he referred to the recommendations of the Acworth Committee in respect of the central organisation. What I say is from a rather hazy recollection, and I am, therefore, open to correction,—but my belief is that what they generally suggested was a Chief Commissioner, a Financial Commissioner and three officers who would deal with railway matters on a geographical or a territorial basis. I do not see very much difference between that organization and the organization we have, namely, the Chief Commissioner, the Financial Commissioner and three Members. The only difference, as far as I can make out, is that we have divided the work among them according to subjects and not according to areas. As a matter of fact, as the House is well aware, we have gone far beyond that, and we have now only the Chief Commissioner, the Financial Commissioner and one Member.

Then, Sir, I would like to correct the impression that the Board is only a co-ordinating body. That, I think, is one of the least of its functions. It has to deal with all large questions of policy, and my Honourable friends will believe me when I say that—thanks to my Honourable friend, Mr. Joshi, and those who work with him in the labour field,—questions of policy relating to labour take up an enormous amount of our attention and time.

In addition to that, the Board has to attend to the scrutiny of all projects, disposal of all appeals and general direction and supervision over all the Railway Administrations. May I point out to my Honourable friend that if his suggestion were adopted, namely, of reducing the strength of the central organization, then, Sir, there would have to be far greater decentralisation, and I am afraid that that would not be in accordance with the views which have been expressed in this House so vehemently that there should be a tighter rein upon the Railway Administrations.

Then, Sir, my friend,—coming to a matter of detail,—pointed out that we were having another Director. I would just like to explain that point. We had provided for a Deputy Director in place of a Director. But when we found it possible to hold in abeyance the post of a Member when the Chief Commissioner had himself to do, in addition to his own duties, the duties of an engineering Member, it was found necessary that he should have the assistance and advice of a much more senior officer than a Deputy Director. We, therefore, have substituted a Director for a Deputy Director. On the balance, therefore, it works out like this that, whereas our original idea was generally a Member and a Deputy Director, we have got rid of both the Member and the Deputy Director and we have substituted therefor a Director. Those are the general

[Sir Joseph Bhore.]
lines of the substitution. I ought also to say in passing that the substitution of a Director for a Deputy Director does not mean any very large extra expenditure. If my recollection is correct, it is not more than Rs. 300 or so a month.

Now, my friend, Sir Henry Gidney, made the suggestion that there should be at the Centre a Director to deal with health matters. I am not quite sure whether he suggested that this Director should be in substitution of one of the existing Directors. Was that the idea?

Lieut.-Colonel Sir Henry Gidney: If that is the only remedy, then I should suggest a substitution. I think a Director of Health would be more useful than one of the present many Directors.

The Honourable Sir Joseph Bhore: Well, Sir, I do not propose to enter into the merits of the proposal. I would suggest to him that if Rs. 1,50,000 is cut from my Budget under this head, surely it will not be possible to make the substitution that he desires, and even if the substitution were made, I do not see how any actual economy, so far as money goes, could be effected. It might perhaps result in greater efficiency,—I don't question that point at present,—because I am not in a position with the information I have, to do so....

Lieut.-Colonel Sir Henry Gidney: Then do away with one of the Directors.

The Honourable Sir Joseph Bhore: I am grateful to my friend, Dr. Ziauddin Ahmad, for once again intervening with suggestions of real importance. As a Member of the Railway Retrenchment Sub-Committee, I venture to submit to this House, that he speaks with an authority which is denied to those Members who were not in touch with the work of that Committee. I would ask the House to accept the statement which he has made today, a statement which he has made after having gone most carefully and at great length into all the considerations which affect the question of economy,—and the statement that he made was that he was quite satisfied that there could be no further economy in the Board's expenditure....

Dr. Ziauddin Ahmad: Unless there was a change of policy.

The Honourable Sir Joseph Bhore: That is quite a different matter. I would like to point out that in certain matters we have gone even beyond the recommendations of the Retrenchment Sub-Committee. We are, for instance, now working with three Members, whereas the Committee suggested four. Now, my friend, Mr. Mitra, himself acknowledged that we have from year to year made very substantial and progressive reductions in the expenditure of the Board, and I think, if I may say so, he furnished the reply that I was going to make myself when he suggested that this process could not be carried on *ad infinitum*.

There is one point of importance which my friend, Dr. Ziauddin, raised, and I think the House will expect me to say something on it. It is a matter of real importance, and that is the question of salaries for future entrants into the service. Now, Sir, we have completed our proposals in that respect, and I do not think that the promulgation of

the results of our examination should be very long delayed. When those results are made known, I venture to think that the principles which my friend, Dr. Ziauddin, has enunciated will not be found to differ very greatly from the principles which we have adopted. I would also emphasise a point which has already been made, I think, in the course of the debate, or certainly in the course of a reply to a question which was put in this House, namely, that we have warned all new entrants that they will have to be prepared to come under the new rates when these are given effect to, so that a slight delay in the application of these new rates will not result in any serious enlargement of expenditure.

Now, there are points, such as questions of salary, questions of work to be done by the staff which I might go into in some detail, but I very much doubt whether it is essential for me to do so. I think the real point is that my friends wish to impress upon the Government and upon the Railway Board the necessity for seeing that from time to time and as far as they possibly can, every economy, that is possible, is ensured. Sir, I entirely agree with my Honourable friend in regard to the overriding need for economy and I can assure him that the intention to pursue it and to give effect to it is not only in my mind, but that of every Member of the Railway Board. I hope, Sir, with this general assurance, he will not press his motion today.

Mr. S. C. Mitra: In reply to what the Honourable the Commerce Member has said, I can only say that the real purpose of my motion was what he agrees with me to be, but I think there is some misapprehension in his mind about my suggestion in regard to the Railway Member. What I tried to impress was as to why the Commerce Department like other Departments of the Government of India could not treat their chief Expert, the Railway Chief Commissioner as a Secretary in the Department and the Financial Commissioner as the Financial Expert as in other Departments. It is not still clear to me why the Commerce Member cannot accept the suggestion. The Railway Board really consists of one Member, the other Members are *ex-officio*, and nobody grudges their position. We on this side of the House all agree that the Railway Chief Commissioner, as an expert, should be maintained and also the Financial Adviser. But why the other Member? Why could he not be included in the Directorate? There is a Directorate which consists of five, formerly it was three. Why this one Member of the Railway Board, whose position is very anomalous? There is the Chief Commissioner above him. There are the Directors. Why this post is not classed with the Directorate, I cannot understand.

The Honourable Sir Joseph Bhore: May I explain that he is in exactly the same position as the Financial Commissioner so far as status goes.

Mr. S. C. Mitra: I suggested that the Department should have an expert who should be more or less in the position of a Secretary and a Financial Adviser and then a Directorate which should look after the co-ordination or expert knowledge of labour or any other portfolio. What is the necessity for one Member only on a particular head, say, Staff, and Labour? There is in the very Department also a Director and Deputy Director. Why a Director should not suffice as in all other branches of the Railway Administration? I think the Government will still justify the special necessity for a particular Member apart from the Chief Commissioner and the Financial Adviser. What is the necessity for it? However, our

[Mr. S. C. Mitra.]

duty in this House is to make suggestions. We are more or less an irresponsible body. The Commerce Member has responsibility to the Secretary of State and the British Parliament. My friend says we are an advisory body. I feel grateful to the Commerce Member for accepting the position that every effort will be made to provide for economy, of course not at the cost of efficiency. There we all agree. Further he had no opportunity this year while preparing this Budget to apply his whole mind to the question of economy. Therefore, I do not think I shall be well advised in pressing this motion for division.

Mr. Chairman (Sir Hari Singh Gour): If the Honourable Member is going to withdraw his motion, a long speech is out of place.

Mr. S. C. Mitra: The leader of the United India Party said something this morning. Unfortunately I find here no Member present of that august group. I do not know whether he is acquainted with good sense, but when you, Sir, have allowed the motion, that shows that there was some sense in it. If Providence has denied Mr. Yamin Khan power to understand arguments, I cannot help it. In view of the spirit in which the Commerce Member has replied to my motion, I beg leave of the House to withdraw it.

The motion was, by leave of the Assembly, withdrawn.

Retrenchment in the Railway Board.

Lieut.-Colonel Sir Henry Gidney: Sir, I beg to move:

“That the demand under the head ‘Railway Board’ be reduced by Rs. 48,000.”

I have a specific object in moving my motion and I trust the House will, if necessary, move it to a successful issue. My specific object is in regard to a matter in connection with the Railway Board. When the Railway Retrenchment Committee submitted its report, it suggested the retrenchment of the Railway Board by one Member. That Member left the Board. In other words, he was retrenched. I suppose that, in doing this, the Railway Board was guided by the priority procedure in force in regard to its retrenchment policy, that is to retrench the least efficient of its Members. If that is so, in this case they retrenched a Member who, they thought, was the least efficient, and, by doing so, they saved Rs. 48,000. Now, what happened to that Member? When he was retrenched, he was not retired, nor sent on leave preparatory to retirement as is done with a subordinate, but he was appointed as Agent of the East Indian Railway to fill a vacancy which existed then, owing to the permanent incumbent being on furlough and, on return of that permanent incumbent, he was appointed Agent of the Eastern Bengal Railway. I ask the House to take note of that fact. Now, when a subordinate is demoted with less pay as was this *ex-Member*, it is done according to certain rules, *i.e.*, Fundamental Rule 15 which lays down that no confirmed servant can have his salary reduced except for the following reasons: misconduct, inefficiency or abolition of the post. The post of this Member of the Railway Board was abolished and yet he was sent as Agent to these two Railways and given a higher pay than the pay of these posts.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Where do you think he could go to?

Lieut.-Colonel Sir Henry Gidney: I am not criticizing the utilisation of this officer. I am coming to that point later on. Now, Sir, what is the salary attached to the pay of these two Agents? The salaries of the Agent, East Indian Railway, and the Agent, Eastern Bengal Railway, is Rs. 3,500. I am aware, and the Railway Board is aware, and I ask them to accept my criticisms in no carping or personal spirit, but in a spirit of wishing to come to some understanding of the matter. I may be wrong, I am prepared to be corrected, but I think the pay of the Agent, East Indian Railway, is Rs. 3,500, but that by a special arrangement with the Company's Board when that Railway was a Company Railway, the Agent was given Rs. 1,000 or Rs. 500 extra and that the pay of the Agent, Eastern Bengal Railway, is Rs. 3,500 and no more. Now, the extraordinary point is that not only was this *ex-Member* of the Railway Board appointed as Agent of a very important Railway, but he was, by some extraordinary process of reasoning and against Railway Board's Rules, given the favoured treatment of 12 months' extension of service after he reached 55 years of age. I may be wrong in this statement. I am open to correction by the Railway Board and I shall sit down for correction if you like.

Mr. P. R. Rau (Financial Commissioner, Railways): He is not yet fifty-five.

Lieut.-Colonel Sir Henry Gidney: Thank you. I know that this officer will be fifty-five in May, 1933. Now, by this, what has happened? Senior British Officers and senior Indian Officers of both these Railways have been deprived of their ambition of their lives, *viz.*, to secure the posts of the Agents of these two Railways. There is one senior Indian officer, Mr. Singh, of the Eastern Bengal Railway with a most exceptionally good record of service—who has been deprived of this for the time being. (Hear, hear.) These Officers were thus denied this opportunity of seeing their ambition fulfilled by this favoured treatment to this *ex-Member* of the Railway Board. Furthermore—and, I repeat, if what I say is incorrect I shall sit down to be corrected—I understand that the present Agent of the E. I. R. is due to retire very soon, that is, in March, and I understand this *ex-Member* of the Railway Board is to be appointed as permanent Agent of that Railway, and fulfil the extended term of service he has been given, *i.e.*, a year's extension—a point which I shall touch upon in detail later on. Now, no doubt when he becomes Agent of the E. I. Railway, he will continue to draw his pay of Rs. 4,000, the pay of a Member of the Railway Board, that is, Rs. 500 more than the pay of the Agent, East Indian Railway. (Voices: “He may be a very able man.”) I do not doubt his abilities. I am attacking the principle involved. Now, while this excellent *ex-Member* of the Railway Board was kept on as Agent of the East Indian Railway, another senior Officer, an Indian, acted as Agent of the Eastern Bengal Railway. But when the permanent incumbent of the East Indian Railway returned, this *ex-Member* of the Railway Board, who was still drawing Rs. 4,000, relieved the Indian Agent of the Eastern Bengal Railway and was appointed officiating Agent of the Eastern Bengal Railway, and this Indian Agent had perforce

[Lieut.-Colonel Sir Henry Gidney.]

to go on leave in order to suit the convenience of the Railway Board or of this *ex*-Member of the Railway Board and is still on leave pending the retirement of the present Agent of the East Indian Railway when the present *ex*-Member of the Railway Board will then resume the Agency of the East Indian Railway. (A Voice: "Was leave on full pay granted?") Sir, as to the fitness or otherwise of the *ex*-Railway Board Member, I am not in a position to give an opinion.

The Honourable Sir Joseph Bhore: Sir, on a point of order. May I know whether what my friend, the Honourable Member, has been saying has any relevance to the cut which he has moved, namely, an economy cut of Rs. 48,000?

Lieut.-Colonel Sir Henry Gidney: May I explain that to the Honourable Member? I will try to explain it. As to the fitness of this officer . . .

Mr. Chairman (Sir Hari Singh Gour): Order, order. The objection raised has first to be met, namely, in what way is the Honourable Member's speech relevant to the cut of Rs. 48,000, which is a purely economy cut?

Lieut.-Colonel Sir Henry Gidney: Well, Sir, it is a difficult thing to put the value of rupees, annas and pies to any speech on the Railway Board as it is constituted today, but if . . .

Mr. Chairman (Sir Hari Singh Gour): Order, order. It is a difficult thing to make an irrelevant matter relevant. The Honourable Member must strictly confine himself to the motion which he has moved.

Lieut.-Colonel Sir Henry Gidney: Well, Sir, I submit, if this motion is to be taken as an economy cut motion, the pay of one Member of the Railway Board should be reduced from the total Budget demands for the Board and if, what I say, is correct, the Railway Board is responsible for this waste of money and they should be penalized. How exactly they will be penalized, I do not know of course.

Mr. Chairman (Sir Hari Singh Gour): Order, order. This is a purely economy cut and it cannot be converted into a vote of censure. Honourable Members have been warned since this morning that these are all economy cuts and the vote of censure has already been discussed and disposed of. These cuts must, therefore, be supported on the sheer ground of economy.

Lieut.-Colonel Sir Henry Gidney: Well, Sir, if that is your ruling, I bow to it, and I am quite prepared, if the House gives me their permission, to convert this into an economy cut. (Voices: "Token cut, token cut.") I mean a token cut. I do not know why the Railway Board should feel so nervous about this matter. I am prepared to treat this as a token cut of Rs. 100 if the House so desires and move for a division.

Mr. M. Maswood Ahmad: No, Sir. I object that this should be converted into a token cut.

Lieut.-Colonel Sir Henry Gidney: Sir, that objection ties my hands and pins me down to a question of relevancy, but this *ex*-Member of the Railway Board, for whom I hold great regard and esteem, was 54 years of age when he was granted a year's extension, an age when Government servants, tired out, are packing up to go to Blighty. If this *ex*-Member was considered so exceptionally competent and indispensable, he would have been retained on this Railway Board, but the Railway Board, at that time, was encouraging the voluntary retirement of its servants of all grades.

Sir Cowasji Jehangir: May I ask the Honourable Member one point? Does he mean to argue that this extension, that was given to one of the *ex*-Members of the Railway Board who is now holding the position of an Agent, is costing Government Rs. 40,000, due to another officer having gone on leave? If that is his point, is it possible for Government to cancel that extension and save this money? Then, I suggest, he will be in order.

Lieut.-Colonel Sir Henry Gidney: I am coming to that point; and, I am sure, the Honourable Member will agree with me that this *ex*-Member of the Railway Board is still receiving a Member's pay, while one permanent Agent is on furlough. Not only is he receiving the pay of a Railway Board Member, but, by his retention, two Officers are being retained also on furlough pay and otherwise. Now, all this comes to more than Rs. 48,000. If this Officer had been retired, as every other Officer would have been retired, instead of being conveniently employed in this way, the Railway Board and the Government would have been saved Rs. 48,000. That is my point. Remember, Sir, the Railway Board was hard pressed for money and was retrenching and encouraging voluntary retirement at that time. Now, Sir, the Murphy Enquiry Report ascertained and reported that superannuation was being effected in all Railway grades, chiefly subordinate, from 52 years and upwards. Here was an officer who was 54 years of age, but in his case what happened? A retrenched Member of the Railway Board at fifty-four years of age was not only kept on in service and given Rs. 500 extra in addition to the proper pay of his new appointment, but was also given an extension of a year's service after the age of fifty-five; that is to say, he is allowed to remain as Agent of the East Indian Railway till May, 1934. But above and beyond all this is the fact that the Railway Board themselves issued a Circular No. 427-L., dated the 26th September, 1932, in which it emphatically lays down that extensions of service, after the age of fifty-five, should not be granted to railway employees, whether ministerial or non-ministerial, unless in individual cases it is found impossible to replace them. Here was an *ex*-Member of the

3 P.M. Railway Board who was found superfluous to staff and retrenched and given exceptional treatment contrary to rules while there were other senior and efficient Officers dying to be made Agents of their Railways. But this *ex*-Member of the Railway Board was chosen to replace them on the East Indian Railway on a pay as a Railway Board Member, and yet two other Officers . . .

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Honourable Member knows too well that he is dealing with a specific grievance; he is not dealing with the question of economy.

Lieut.-Colonel Sir Henry Gidney: Sir, if you consider maladministration is a specific grievance and unconnected with economy, I bow to your ruling. Sir, I offer an opportunity to the Railway Board to prove that my facts are not correct. If they are able to prove that I am not correct, I am prepared to withdraw my motion and I do not care what happens to it. But if my facts are correct, and if the House carries the cut and the Railway Board are compelled to operate the cut, I do not want it to be operated on the subordinate staff. In that case, I would ask the House to consider my cut as a token cut. Sir, I move my motion.

Sir Cowasji Jehangir: The point is, can any action of Government now save this money?

Lieut.-Colonel Sir Henry Gidney: The money is gone for good.

Sir Cowasji Jehangir: Then it is finished.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That the demand under the head 'Railway Board' be reduced by Rs. 48,000."

The Honourable Sir Joseph Bhore: Sir, I venture to submit that this motion that has been moved, or rather this speech which has been made in support of the motion, is totally irrelevant, and my Honourable friend who has been long enough a Member of this House must, I am sure, realise that it was a totally irrelevant speech. All that it is necessary for me to do, Sir, is to refer to a matter which is not within my personal cognisance, but of which I have some recollection. All I think I need do is to repudiate most emphatically the suggestions that my friend has made. He has suggested that one Officer of the Railway Board, who had to leave the Railway Board because we retrenched or rather held in abeyance one of these posts, was retrenched, because he was inefficient. I would like to say here publicly that there is absolutely no ground whatsoever for that insinuation; and I think, Sir, that such an insinuation should not have been made against an officer who has done very splendid service without his being in a position to give a reply to my Honourable friend.

Lieut.-Colonel Sir Henry Gidney: Has he not been retrenched?

The Honourable Sir Joseph Bhore: The post has been retrenched, not the Officer.

Lieut.-Colonel Sir Henry Gidney: Has he got the same pay?

The Honourable Sir Joseph Bhore: As regards pay, my Honourable friend pointed out that the pay of the Agent of the Eastern Bengal Rail-Government to increase that salary in the case of an Officer who has special experience or qualifications. My information is that Mr. Hannay officer of great experience and great ability, and it was for these reasons that an extra Rs. 500 was sanctioned during his tenure of the post to which he was appointed.

Sir, I have no further information to give to the House, but I do submit that the matters that have been raised are totally irrelevant to this economy cut.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That the demand under the head 'Railway Board' be reduced by Rs. 48,000."

The motion was negatived.

Directors and Deputy Directors.

Mr. B. Das (Orissa Division: Non-Muhammadan): Sir, I beg to move:

"That the demand under the head 'Railway Board' be reduced by Rs. 20,000."

This is a pure economy cut and I will not talk on the merits or the policy of the Railway Board.

I find since I left this House four months ago, some Honourable Members do not want to press a motion to vote. They are carried away by the soft persuasions of my Honourable friend, Sir Joseph Bhore. My Honourable friend, Sir Joseph Bhore, may take it to be logical or illogical, I do not know in what way he is taking it, but, in the reply he gave to Colonel Sir Henry Gidney, he said that the Railway Board was practising so much economy that there were still men with qualifications who should have got Rs. 500 extra. There are experts in the cupboard of the Railway Board who receive not only Rs. 500 as monthly allowance, but also to the extent of Rs. 1,500 per mensem.

This 20,000 rupees economy cut is a very modest one, and I ask Honourable Members to open their Demands for Grants if they have got a copy on their table. I find that they have three Members of the Railway Board, they have a Secretary and five Directors and five Deputy Directors. My friend is probably thinking that he is living in the extravagant days of his predecessors, but if the Government mean to effect economy, then two of the Directors should be done away with. In reply to my friend, Mr. Mitra's preceding motion, the Railway Member argued that a very responsible post was that of the third Railway Member and so it should not be retrenched. Well, I agree with that view. But, what is the use of paying two extra Directors and two extra Deputy Directors?

My submission to my friend, Sir Joseph Bhore, is that he should not be guided by the sweet whisperings of the three Members of the Railway Board, but he should cut out the two Directors and effect economy and retrenchment. What a Director can do, a Deputy Director also can do. It is only the matter of salary that this Deputy Director gets which is from Rs. 550 to Rs. 2,130, with of course special allowances and special privileges. They all get special allowances in these days of economic depression in the country. The Directors get from Rs. 2,500 to Rs. 3,180 and one senior Deputy Director can go on with the work if you really think that a Director is necessary to do that work. But what I mean to say is that up to now the Railway Board, including the Chief Commissioner or the Financial Commissioner, have not really applied themselves to the task of bringing economy in the Railway Board. I may make it clear to my friend that I am not going to withdraw this motion even by the soft persuasion of my friend, Sir Joseph Bhore, or any one on this side of the House. Let there be a test of strength, so that we might see whether we are a stronger party or the Government. In any case, I think, the victory will be ours.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That the demand under the head 'Railway Board' be reduced by Rs. 20,000."

Mr. M. Maswood Ahmad: Mr. Chairman, I did not intend to take part in this debate and, for the last four days, I was silent. Perhaps I did not catch your eye during the general discussion and I did not get an opportunity then. With respect to this particular cut, I support Mr. B. Das to a very great extent. You will find, Sir, that my Honourable friend on the Treasury Benches has said just now that the Government have decreased the number of Railway Board Members *cum* Commissioners from four to three. That four was the recommendation of the Retrenchment Committee. But, Sir, I find they have increased the number of Directors from four to five, and one thing more here I will say that though they have reduced the number of Members to three, the pay of a Director is Rs. 4,000 a month just like the pay of a Member. My information is that one Director is there getting Rs. 4,000 a month; Rs. 2,000 from the Railway Board as Director, and Rs. 2,000 from some other source, *i.e.*, as Chief Controller or something like that. That is my information, and I will be very glad if the Honourable Sir Joseph Bhore will kindly correct me on that point, and if that is the case that one of the Directors gets his pay from two branches or from two sources, certainly it is very objectionable. I will suggest that one Director should be reduced and that the work of one Department should be entrusted to him and he must get his pay from that Department. In this way, this reduction of Rs. 20,000, suggested by Mr. Das, will be very easy. With these words, I support it.

Sir Cowasji Jehangir: I am afraid I have not been able to follow this discussion at all. On what, and for what are we seeking to pass a cut of Rs. 20,000? We have not been told what that Rs. 20,000 cut is going to effect. At one time it is proposed to retrench one Director and at another time it is proposed to retrench two Directors.

Mr. B. Das: I want to retrench two Deputy Directors and two Directors, and the voted salary comes to Rs. 20,000.

Sir Cowasji Jehangir: But even if you do pass this reduction of Rs. 20,000, that will not cover two Directors' pay. The pay of two Directors is much more than Rs. 20,000 a year. I do not exactly understand what it is intended to effect. If two Directors are to be retrenched, and if this is a token cut, and if this motion is to be taken seriously, then I think we are at least entitled to have more facts and figures placed before us. I can understand my friend Mr. Das, saying that he wants to cut off certain allowances and those allowances come to Rs. 20,000.

Mr. B. Das: I want to cut off four officers.

Sir Cowasji Jehangir: If that is so, what figures has he given us to prove that that is so? I do, Sir, beg all Honourable Members to take this motion a little more seriously. At least credit is due to Colonel Sir Henry Gidney for the way in which he put his case—he may have been out of order—at any rate, he gave us facts and he gave us something on which we did reflect.

Mr. N. M. Joshi: Relevant or irrelevant.

Sir Cowasji Jehangir: At any rate he has made his speech, whether it is relevant or irrelevant. When he finished his speech, at all events he gave us material to think about, whereas Mr. Das has given no material whatsoever, and we should take this case more seriously than we have been doing up to now.

Mr. Amar Nath Dutt: Sir, my friend has asked for the reduction of Rs. 20,000 in the Railway Board, that is, for Directors and Deputy Directors. For this my Honourable friend, Sir Cowasji Jehangir, has found fault with the Mover and he has asked us to take things more seriously. I think we are all here seriously trying to see that the Railway Finances are sound and any one offering any advice, especially one of retrenchment, should be welcome to every one of us. I do not know what are the qualifications of these Directors and Deputy Directors. I am told that there is a Deputy Director who has the qualification of being a matriculate and, by dint of merit, he has risen to this high post, with Rs. 250 per month as allowance, which is the pay of a Deputy Magistrate to begin with; and these are the allowances of a matriculate. He must be a very brilliant matriculate, unless it be that he belongs to that favoured class of the Government which was described by a certain Lieut.-Governor as "the favourite wife". If really Directors and Deputy Directors are needed, I do not think such high salaries are needed for them; and, as regards their number, I also agree with my Honourable friend who moved this cut that a reduction should be made, considering the state of the finances. Five Deputy Directors on Rs. 550 to Rs. 2,130. Even the members of the Heaven born service do not begin with Rs. 550. I do not know whether, being a matriculate of a particular favoured community, one has a right to begin on Rs. 550 and go up to Rs. 2,130. Then the next lift is probably Rs. 2,500 to Rs. 3,180. I shall be quite satisfied with the present staff of the Railway Board and the reduced number of Members, and I would request them for the high salary they get not to have a large number of Deputy Directors or Directors to help them in these matters. I do not know whom they help; their work should fall on the shoulders of the Members of the Railway Board and, therefore, it seems to me that so many Deputy Directors and Directors are not necessary and a lesser number of them will be sufficient. That being so, I have great pleasure in supporting the motion of my friend, Mr. Das.

Diwan Bahadur A. Ramaswami Mudaliar: I feel that there is a great deal of justification in the complaint which my friend, Sir Cowasji Jehangir, has put forward, that the House is somewhat muddled again by the course which the discussion has taken on this motion. But I venture to think at the same time that Mr. Das has a better case than he has chosen to explain to this House. Let us take the question of Demand No. 1—Railway Board, and see what are the facts and figures with reference to the appointment of these Directors and Deputy Directors. In parallel columns the strength of these Officers is given for the year 1932-33 and for year 1933-34. Let the House concentrate its attention first on the number of Directors. We find that whereas in the last Budget year there were four Directors, in the present Budget year there are five Directors. I should like to know from the Honourable Member in charge of the Department what is the justification for increasing the number from four to five

The Honourable Sir Joseph Bhore: I have explained it very fully. If my Honourable friend had done me the honour of listening to my speech, he would have realised the explanation that I gave.

Sir Cowasji Jehangir: He has reduced one Member and one Deputy Director and increased one Director.

Diwan Bahadur A. Ramaswami Mudaliar: I was just coming to that. (Laughter from the European Group Benches.) My Honourable friends of the European Group may just wait and see when I come to it. I know that the number of Deputy Directors has been reduced and the number of Directors has been similarly increased, and if you take the total number of Directors and Deputy Directors, it was ten last year and it is ten this year. But any man will tell you that if you abolish one post of a Deputy Director and create the superior post of a Director, that is not exactly the path of economy. I want to know why a Deputy Director was replaced by a Director and why there are only five Deputy Directors while there is one more Director

The Honourable Sir Joseph Bhore: I do not want to interrupt my Honourable friend, but I endeavoured to give a detailed explanation for that. I pointed out that on the balance, whereas originally there was a Member and a Deputy Director, we have now in place of that one appointment, namely, that of a Director.

Diwan Bahadur A. Ramaswami Mudaliar: I can only go by the printed figures, and I must candidly confess that I am not as conversant in these matters as my Honourable friend is. I take the numbers given here. There was one Chief Commissioner last year; there is one Chief Commissioner this year; there was one Financial Commissioner last year; there is one Financial Commissioner this year; there was one Member last year; there is one Member this year. Taking the parallel columns, I see no modification anywhere. Then we come to the next figure: there were four Directors last year—there are five Directors this year, that is, one more than last year. There was one Secretary last year; there is one Secretary this year. There were six Deputy Directors last year; and there are five this year. Coming further down, you will find a new post of Assistant Secretary created for the first time. You will see there were seven Superintendents last year, there are six Superintendents this year. The path of economy seems to be to reduce the number of lower posts and increase the number of superior posts. That is a fact regarding which my friends of the European Group may try to find out an explanation. I am only taking the figures of last year and this year. I am not putting the blame on my Honourable friend at all. I look at the revised estimate and I see that these things have crept in in the revised estimate: that is to say, these things were given effect to during the current year. It is not a thing that is going to come into effect in the next financial year. The evil crept in during the revised estimate. My Honourable friend, Mr. Das, has been very lavish in his praise of the previous Commerce Member. I do not want to make any comparisons. But I venture to have a shrewd suspicion that this is one of the legacies of the past which my friend has inherited. These changes have been probably made by the Commerce Member who left last year and they have come into effect in the course of the current year and they have been repeated necessarily in the Budget of the next year. A Superintendent draws a salary of Rs. 550 to Rs. 800.

The Assistant Secretary draws a salary of Rs. 1,000 to Rs. 1,250. If you change a Superintendent to an Assistant Secretary, does that conduce to the cause of economy to pay a thousand rupees to start with to this gentleman to whom you paid Rs. 550 as a Superintendent? And these Deputy Directors who draw Rs. 550 to Rs. 2,130, why did you decrease their number and increase the number of Directors who draw Rs. 2,500 to Rs. 3,180? I say that these are facts which will require some explanation at least and I take it that this motion is merely an attempt to get that explanation from the Honourable Member and nothing more.

Mr. P. R. Rau: Mr. Chairman, I think the documents that have been placed before the House do not explain quite fully the changes introduced during the year, and my Honourable friend, who has just spoken, has quite legitimate grounds for his misunderstanding of the position.

Mr. S. C. Mitra: That is not our fault.

Mr. P. R. Rau: In the first place I would ask the House to refer to the statement placed before it last year showing the action proposed by the Railway Board on the Railway Retrenchment Sub-Committee's recommendations. It was said there: "It will be necessary to retain the present number of Directors,—that is Finance, Establishment, Traffic and Engineering, that is four Directors. The Railway Board came later to the conclusion that they would try to carry on without the Director of Civil Engineering and, in his place, have a Deputy Director, and in the first half of the year that was the position. But it happened that without a Member for Engineering and without a Director of Civil Engineering, the work of the Civil Engineering branch had to go to the Chief Commissioner, and it was considered that his time was much too valuable to permit him to attend to all sorts of routine matters. Consequently it was decided in October last to go back to the original proposals and to have a more senior officer as Director of Civil Engineering and to abolish the Deputy Director. Now, Sir, before the Retrenchment Committee made their proposals, on the Civil Engineering side there was a Member for Engineering, there was a Director of Civil Engineering and there was also a Deputy Director of Civil Engineering. Now, there is only one Director of Civil Engineering, and so from three officers we have reduced the number to one.

Then, my friend raised the question of the post of Assistant Secretary. Here, again, in accordance with the recommendations of the Retrenchment Sub-Committee, the post of the Deputy Secretary was abolished. There was a Chief Superintendent who was drawing Rs. 1,000 at the time, and this post was, with the approval of the Standing Finance Committee for Railways, converted to the post of Assistant Secretary in place of the two posts of Deputy Secretary and Chief Superintendent, and the extra cost during the current year is nil, though the maximum salary of the Assistant Secretary will be Rs. 1,250 instead of Rs. 1,000.

Then, Sir, with reference to what my friend, Mr. Maswood Ahmad, said that one of the Directors is drawing Rs. 4,000 a month and that part of his salary is charged to the Central Standards Office, I might explain that it was one of the recommendations of the Retrenchment Sub-Committee that the post of the Controller of Standards should be amalgamated with that of the Director of Mechanical Engineering. This has been done, and half the pay of the occupant of that post is charged to the Railway Board and the other half to the Central Standards Office which

[Mr. P. R. Rau.]

comes under Demand No. 11, and there has been no increase in the pay of the Controller of Standards. Consequently, my friend is mistaken in the inference he wishes to draw from it.

Finally, Sir, I would like to point out that in 1930 before the retrenchments took place, the total number of Officers on the Railway Board, excluding the Superintendents, was 19 and the cost was about six lakhs and nine thousand rupees. The recommendations of the Retrenchment Sub-Committee were that we should reduce them to 13 at a cost of about Rs. 4,38,000. In 1933-34, their number will be 14, just one more than what the Retrenchment Sub-Committee have recommended, and the cost would be under Rs. 4,48,000, or Rs. 10,000 more than what the Retrenchment Sub-Committee recommended. In giving effect to their proposals, we have reduced one more Member than they recommended, and at present we have one more Director than they recommended. So the total number of Members and Directors is the same as was recommended by the Retrenchment Sub-Committee, but we have gone further in reducing a more highly paid post and retaining a less highly paid one

Mr. M. Maswood Ahmad: I would like to know one thing, Sir. What was the pay of the Chief Controller of Standards before the amalgamation took place, and of the Director of Mechanical Engineering before the amalgamation, and whether by this amalgamation the Railway Board have saved something or not.

Mr. P. R. Rau: The pay of the Controller of Standards was Rs. 4,000 and the pay of Director of Engineering was between Rs. 2,500 and Rs. 3,000—I do not know the exact figure, but now one officer is performing both the duties and is drawing only Rs. 4,000.

Lieut.-Colonel Sir Henry Gidney: Is it not a fact, Sir, that the Assistant Secretary, whom you have shown in your establishment list, is merely the Chief Superintendent under a different name and who is still on the same pay?

Mr. P. R. Rau: The pay is slightly different as I have just shown. It is the same pay as is paid to Assistant Secretaries in other Departments of the Government of India, that is, Rs. 1,000 to Rs. 1,250.

Mr. S. C. Mitra: Referring to the Report of the Retrenchment Committee, last column, I find that the Retrenchment Sub-Committee recommended for Members, Directors, Deputy Directors two, three, and four—the number becomes nine,—I think I am correct.

Mr. P. R. Rau: What page please?

Mr. S. C. Mitra: Page 12, last column.

Mr. Chairman (Sir Hari Singh Gour): Is the Honourable Member putting a question?

Mr. S. C. Mitra: No, Sir; I am making my speech. I find under the heads Members, Directors and Deputy Directors, the recommendations were two, three and four which makes in all nine when comparing the Demand for Grants for 1932-33 and 1933-34. My friend, Diwan Bahadur Mudaliar, was quoting correctly, because in the previous year also looking to 1932-33 figures, I find one Member. I refer to the Demand for Grants for expenditure of the Central Government on the Railways for 1932-33, and there also one Member is mentioned. The number of Members was reduced from three in 1931-33 to one, and Directors from five to four, and, as regards the Deputy Directors, their number was increased from five to six. So if the Railway Department publishes their books in such a way as to puzzle and mislead the public, and they think that we are hopelessly muddled and we cannot follow anything, the responsibility for it must be on the Railway Department itself. We would like to know positively how retrenchment has been effected, so that we can understand everything without referring to these books, or it might be shown in the Budget, and the claim that is now made is that not only have the Railway Board carried out all the recommendations of the Retrenchment Sub-Committee, but that the Railway Board have gone far beyond those recommendations, but I cannot see where they have gone beyond the recommendations of the Retrenchment Sub-Committee. Now, the suggestion of my friend, Mr. Das, was that instead of increasing the number of these Directors, the two posts might be filled up by the Deputy Directors who also carry fairly high salaries like Rs. 2,130 with special pay of Rs. 250, and thus there might be effected a slight retrenchment to the tune of Rs. 20,000. My friend has suggested only Rs. 20,000, because he finds that the votable grant in this connection is only Rs. 20,000, and so he is helpless, he cannot put any other figure. Therefore, I support this motion for reduction.

Dr. Ziauddin Ahmad: May I just explain my friend, Mr. B. Das's position?

Mr. Chairman (Sir Hari Singh Gour): Is the Honourable Member going to make a speech?

Dr. Ziauddin Ahmad: Yes, Sir. I understand Mr. Das's position is this, that he has got the demands for this year and the demands for last year, and comparing the two figures he finds that the post of one Director has been increased and the post of one Deputy Director has been reduced. This really means that the Deputy Director has become the Director. He wants to follow the practice of last year and reduce this.

The Honourable Sir Joseph Bhoré: I do not think, Sir, a long speech is necessary from me on this matter. I am grateful to the three Honourable Members who spoke for explaining the position of my friend, Mr. Das

Mr. S. C. Mitra: It is all due to the figures supplied by the Railway Board.

The Honourable Sir Joseph Bhoré: The essential figures in this case have been supplied by my Honourable friend, Mr. Rau. Before I turn to that, I would merely ask the House to consider one aspect of this case.

[Sir Joseph Bhore.]

My Honourable friend, Mr. Das, says "you can reduce your existing staff". I listened with great care to see whether he would adduce any grounds upon which he would base that recommendation or suggestion for retrenchment. Mere iteration, as I have said, is not a substitute for proof. I can understand if my Honourable friend says, that having regard to the work, its quantum, its character, its complexity, you do not need as many as four people. Two people are quite sufficient. But my Honourable friend did not proceed on those lines. I am quite willing to be convinced and I am only waiting for evidence to be convinced that, say, two officers can do the work of four, but up to the present no evidence, no suggestion on those lines has been adduced by any Honourable Member who has spoken. The real, salient and intrinsic facts are these, namely, that whereas in 1930, that is just before retrenchment, we had 19 Superior Officers, the Retrenchment Sub-Committee recommended their reduction to 13 at a cost of Rs. 448,000 against a cost of Rs. 609,000. We have now brought the total down from 19 to 14 and reduced the cost to Rs. 448,000. That is, we have saved nearly a lakh and 60,000 on the pay of Superior Officers alone in the Railway Board. I do submit that in these circumstances we have gone a very considerable way to meet the recommendations of the Retrenchment Sub-Committee and, I do hope, my Honourable friend will not press his motion.

Mr. B. Das: After listening to the two speeches delivered on the Government side I feel that the mentality of Government and the mentality of the non-official side are so very different that it has been very difficult for the Government side to appreciate the suggestions put forward by us. My friend, Mr. Rau, made a speech which was nothing but a camouflage. He said that the Controller of the Standards Office has become the Director of the Mechanical Department and is, therefore, drawing the same salary, namely, Rs. 4,000. That is our grievance, that there is a system of extravagance in the Railway Board and Officials get special allowances and too high salaries. They are not there for the efficient management of the Railway Board. But they cannot be thrown out. My friend, the Railway Member, said that the Retrenchment Committee recommended 13 and they have got 14. Why that one officer has not been axed?

Mr. S. C. Mitra: The Retrenchment Committee suggested 19 higher posts. The Railway Board retains 22. The Honourable the Commerce Member is not correct in saying that it is 14.

Mr. B. Das: I am glad to have that correction from Mr. Mitra. What I wanted to convey in my original speech is that there is no new construction now. There is less work inside and outside the Railway Board. The Railway Board can do some little hard work in these hard times and numbers could be reduced. Instead of that, one Member of the Railway Board goes as the Agent of the Eastern Bengal Railway. Another gets Rs. 4,000 as an extra official. This is a thing which we cannot tolerate. I am very sorry to differ from my friend and I wish to press this motion as the first division on the Railways.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That the demand under the head 'Railway Board' be reduced by Rs. 20,000."

The Assembly divided:

AYES—18.

Abdul Matin Chaudhury, Mr.
Badi-uz-Zaman, Maulvi.
Das, Mr. B.
Dutt, Mr. Amar Nath.
Jog, Mr. S. G.
Kyaw Myint, U
Lalchand Navalrai, Mr.
Maswood Ahmad, Mr. M.
Misra, Mr. B. N.
Mitra, Mr. S. C.

Murtuza Saheb Bahadur, Maulvi
Sayyid.
Neogy, Mr. K. C.
Roy, Kumar G. R.
Sant Singh, Sardar.
Sen, Mr. S. C.
Sen, Pandit Satyendra Nath.
Thampan, Mr. K. P.
Uppi Saheb Bahadur, Mr.

NOES—48.

Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Acott, Mr. A. S. V.
Ahmad Nawaz Khan, Major Nawab.
Ahmed, Mr. K.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik.
Amir Hussain, Khan Bahadur Saiyid.
Bajpai, Mr. G. S.
Bhore, The Honourable Sir Joseph.
Clow, Mr. A. G.
Colvin, Mr. C. P.
Dalal, Dr. R. D.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Fox, Mr. H. B.
Grant, Mr. C. F.
Haig, The Honourable Sir Harry.
Hezlett, Mr. J.
Hudson, Sir Leslie.
Ishwarsingji, Nawab Naharsingji.
Ismail Ali Khan, Kunwar Hajee.
James, Mr. F. E.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Leach, Mr. A. G.
Mackenzie, Mr. R. T. H.

Metcalfe, Mr. H. A. F.
Miller, Mr. E. S.
Mitchell, Mr. D. G.
Mitter, The Honourable Sir
Brojendra.
Moore, Mr. Arthur.
Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Nihal Singh, Sardar.
Noyce, The Honourable Sir Frank.
Rajah, Rao Bahadur M. C.
Rau, Mr. P. R.
Ryan, Sir Thomas.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Seaman, Mr. C. K.
Sher Muhammad Khan Gakhar,
Captain.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Pradyumna Prasad.
Smart, Mr. W. W.
Smith, Mr. R.
Tottenham, Mr. G. R. F.
Vachha, Khan Bahadur J. B.
Wajihuddin, Khan Bahadur Haji.
Yamin Khan, Mr. Muhammad.

The motion was negatived:

Paucity of Muslims in the Railway Services.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur cum Orissa: Muhammadan): Sir, I move:

"That the demand under the head 'Railway Board' be reduced by Rs. 100."

Mr. Chairman, I want to ask the Government in this connection that it is a very important question, namely, the paucity of Muslims in the railway services, and the Member in charge of the Home Department and the Member in charge of the Railway Department must be in their seats and must hear very carefully when we are discussing this point.

1094

LEGISLATIVE ASSEMBLY.

[24TH FEB. 1933.]

[Mr. M. Maswood Ahmad.]

(Hear, hear.) You remember, Mr. Chairman, that many suggestions, which have been recommended by the Railway Board on previous occasions, have been circulated to other Departments of the Government as well, and so it is necessary that they should know what is the real situation. To-day, Mr. Chairman, I do not want to detain my Honourable friends and I will not discuss the figures that will show the situation.

Today I shall take only the side-issue that was raised by my Honourable friend, Bhai Parma Nand. I am very sorry, Sir, that he also is not here.

Mr. Lalchand Navalrai: Why not postpone that till he comes?

Mr. M. Maswood Ahmad: Very well, on the suggestion of my friend, Mr. Lalchand Navalrai, I postpone that issue as well.

Now, Mr. Chairman, this important question of the representation of my community in the railway services is being discussed on the floor of this House for the third time in the life of the present Assembly. Sir, it is very painful that I have to repeat before the House today our grievances that have already been repeated *ad nauseam* on the floor of this House. It is still more painful, Sir, that in spite of so many solemn promises given by Mr. Hayman, an ex-Member of the Railway Board, on the floor of this House, I do not see any progress in the matter. Not only this, Sir, but when I come to deal with the figures, you will find that instead of there being any increases, the percentage of Muslims in the railway services has decreased year by year since the last three years. This is definitely the case, and I inform the Department concerned, I inform the Honourable the Indian Railway Member, I inform the Staff Member of the Railway Board, I inform the Indian Financial Commissioner and I give all of them due time to prepare and to reply adequately to that point, namely, that since the last three years our percentage has gone down year by year. (Applause.) I shall make my point clear from the figures and from the reports which I have got from the Department. I will not go into the figures that have been supplied by Mr. Hasan in this connection; that is an old document; we have discussed that document fully; but tomorrow I shall bring out and compare the results of three different years on the basis of the latest facts and figures. Sir, I very much regret that Mr. Hayman is not today with us to render an account of what the authorities did to improve the position of the Muslim community in the Railway Department and to explain why no improvement could at all be made.

Sir, an increase of .1 or .2 in any particular Railway here and there cannot be said to be an improvement at all in favour of Muslims. But if this variation of decimal one per cent. or even decimal two per cent. affects the Muslim community at large adversely, if it affects a minority community adversely, if it affects a community, which had got two, three or four per cent. in the railway services, adversely, and a community which has got 25 per cent. in population, then of course it is a very very painful matter.

Mr. Chairman, in this connection

Mr. Lalchand Navalrai: Why do you not base your claim on efficiency?

Mr. M. Maswood Ahmad: I have explained that last year, Sir, that if you want the test of efficiency, I am prepared to put forth heaps of men with qualifications of M.A.s and B.A.s even for your ordinary clerkships. I am ready to compete with you there. I do not want any competition for services where men of your community and type are already in very large numbers as examiners. (A Voice: "Do not ask for favours.")

Mr. C. S. Ranga Iyer: On a point of order, Sir, is it proper for one Honourable Member to go on talking to another Member in this way and address him in this way,—“your community” and so on? I want your ruling so that we may have a peaceful discussion on this very controversial subject.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member, strictly speaking, was out of order. He should address the Chair.

Mr. M. Maswood Ahmad: Mr. Chairman, I was addressing the Chair, but when the other Member, instead of addressing the Chair, addresses another Member, then that Member has no alternative but to reply to him directly.

Mr. Chairman (Sir Hari Singh Gour): Another alternative is to ignore that interruption.

Mr. M. Maswood Ahmad: Mr. Chairman, I shall ignore all these remarks in future.

Mr. Chairman (Sir Hari Singh Gour): How long is the Honourable Member likely to take?

Mr. M. Maswood Ahmad: About an hour, Sir

Mr. Chairman (Sir Hari Singh Gour): The House is adjourned till tomorrow.

The Assembly then adjourned till Eleven of the Clock on Saturday, the 25th February, 1933.

LEGISLATIVE ASSEMBLY.

Saturday, 25th February, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

QUESTIONS AND ANSWERS.

INDIAN STUDENTS IN THE UNITED STATES OF AMERICA.

464. ***Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state the number of the Indian students studying in the United States of America?

(b) Will Government be pleased to state the number of the Indian students who were taken into custody in the United States of America and deported from there during the last three years?

Mr. H. A. F. Metcalfe: (a) The number of Indian students studying in the United States of America was 201 during the year 1930-31. The figures for 1931-32 are not yet available.

(b) So far as Government are aware, the number of Indian students deported from the United States of America during the last three years is fourteen.

Mr. Gaya Prasad Singh: May I know, Sir, the reason for the deportation of these Indians from the United States of America?

Mr. H. A. F. Metcalfe: I explained to the House some days ago in answer to another question that the United States of America have certain regulations which define the conditions upon which students are allowed to enter and the conditions upon which they are allowed to stay. It would take some time to repeat all that, but the information is, I think, already available in the records of the House.

DISPUTE BETWEEN GOVERNMENT AND THE CORPORATION OF CALCUTTA REGARDING TITLE AND OWNERSHIP OF LAND UTILISED FOR THE CURZON GARDENS.

465. ***Mr. S. C. Mitra** (on behalf of Mr. C. C. Biswas): Is it a fact that a dispute is going on between Government and the Corporation of Calcutta regarding title and ownership to the land now utilised for the Curzon Gardens near Esplanade Junction, and have any enquiries been made by Government in the matter with a view to settling the dispute? If so, with what result?

Mr. G. S. Bajpai: Neither the Government of India nor the Government of Bengal are aware of any such dispute.

DISCUSSION IN PARLIAMENT ON INDIAN AFFAIRS.

466. ***Mr. M. Maswood Ahmad:** (a) Are Government aware of the Right Honourable Sir Samuel Hoare's recent statement in the Parliament on the 7th February, 1933?

(b) Have Government received a copy of the discussion that took place in the Parliament on Indian affairs on the 7th February, 1933?

The Honourable Sir Brojendra Mitter: (a) Government have seen a newspaper report of the statement in question.

(b) No.

MAINTENANCE OF SEPARATE REGISTERS OF POLITICAL OFFENCES.

467. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that at the end of November, 1932, 17,145 persons were imprisoned, and that at the end of December, 1932, 14,815 persons were imprisoned for political offences?

(b) Will Government be pleased to state whether they have separate registers for political offences?

The Honourable Sir Harry Haig: (a) The figures quoted refer to persons imprisoned in connection with the civil disobedience movement.

(b) The figures are compiled from statements furnished by Local Governments who maintain separate statistics of convictions in connection with the civil disobedience movement.

PROPOSALS FOR THE FEDERAL CONSTITUTION FOR INDIA.

468. ***Mr. M. Maswood Ahmad:** Are Government aware that His Majesty's Government have expressed their intention to lay before the Parliament in the form of a White Paper their full proposals for the Federal Constitution for India and to invite Parliament, before the Easter recess, to appoint a Joint Select Committee to examine the proposal?

The Honourable Sir Brojendra Mitter: With your permission, Sir, I shall answer questions Nos. 468 and 469 together.

The replies to questions Nos. 468 and 469 (a) are in the affirmative. As regards part (b) of the Honourable Member's second question, Government will have no objection, if Honourable Members of the House so desire, in giving an opportunity for the discussion of the general question of constitutional reform. I would like, however, to add with reference to the form in which this question is put, that I have no information of the manner in which representatives of the Indian Legislature might be selected for the purpose of consultation with the Joint Select Committee.

Mr. M. Maswood Ahmad: Will Government be pleased to state what will be the course open to the Opposition for the discussion of the constitutional question.

The Honourable Sir Brojendra Mitter: I can imagine that it may be done by means of a Resolution.

Diwan Bahadur A. Ramaswami Mudaliar: Does the Honourable Member suggest that this discussion should take place after the issue of the White Paper? If so, is he in a position to state that the House will be in Session after the issue of the White Paper to discuss this question?

The Honourable Sir Brojendra Mitter: As I have said in my answer, if the House so desires, Government will have no objection in giving an opportunity for the discussion of the general question of constitutional reforms. It is for the House to express its desire as to whether it wants this discussion before the White Paper is published or after the White Paper is published.

Mr. M. Maswood Ahmad: We want the discussion after the issue of the White Paper.

The Honourable Sir Brojendra Mitter: The attitude of the Government is that they will afford an opportunity for a discussion if the House wants it.

Mr. M. Maswood Ahmad: We want that an opportunity be afforded.

Mr. K. Ahmed: What is the probable date when the White Paper will be published?

Diwan Bahadur A. Ramaswami Mudaliar: I want to know from the Honourable Member, as the House is anxious to have a discussion after the issue of the White Paper, whether there will be an opportunity afforded to this House while the House is in Session: also whether the House will be in Session after that date?

The Honourable Sir Brojendra Mitter: I am not in a position definitely to answer that question, but from newspaper reports it appears that the House will be in Session when the White Paper is published. If that be so, an opportunity can be afforded.

Diwan Bahadur A. Ramaswami Mudaliar: May I take it then that if the House expresses its desire, Government will be pleased to give sufficient opportunity through official days for the discussion of the subject?

The Honourable Sir Brojendra Mitter: I cannot answer the question as to the precise manner in which the opportunity will be afforded. All I can say at the moment is that an opportunity will be afforded.

DEBATE IN THE PARLIAMENT ON THE FEDERAL AND PROVINCIAL CONSTITUTION FOR INDIA.

†469. ***Mr. M. Maswood Ahmad:** (a) Are Government aware that there would be a debate in the Parliament on the Federal and Provincial Constitution for India before the appointment of the Joint Parliamentary Committee?

(b) Do Government propose to give an opportunity to this House for a debate on the future constitution for India before the election of the Members of the Central Legislature to sit with the Joint Parliamentary Committee?

ELECTION OF THE MEMBERS OF THE LEGISLATIVE ASSEMBLY FOR THE JOINT PARLIAMENTARY COMMITTEE.

470. ***Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state when they intend to elect Members of the Legislative Assembly to sit with the Joint Parliamentary Committee and what will be the number of the representatives of the Assembly?

†For answer to this question, see answer to question No. 468.

(b) Do Government propose to elect the representatives of this Assembly by means of single transferable votes of the elected Members?

The Honourable Sir Brojendra Mitter: (a) and (b). I can only refer the Honourable Member to His Excellency's address to the Members of this House on the 1st February and to the Press report of Lord Irwin's speech in the House of Lords on the 9th February.

Mr. Gaya Prasad Singh: In making nominations to the Joint Parliamentary Committee, may I ask if the claims of some of those Members who supported the Government in what is known as the Ottawa Betrayal will be taken into consideration?

Dr. Ziauddin Ahmad: In continuation of this suggestion, may I also ask, (Sir, whether the Government will take into consideration the claims of those Members who tried to support the Government in an indirect manner?

Mr. Gaya Prasad Singh: I find my remark has gone home.

(No answer.)

APPOINTMENT OF A SEPARATE SUPERINTENDENT OF EDUCATION FOR DELHI, AJMER-MERWARA AND CENTRAL INDIA.

471. ***Mr. M. Maswood Ahmad:** (a) Will Government kindly say when a separate Superintendent of Education for Delhi, Ajmer-Merwara and Central India was appointed? Will Government also kindly say what were the reasons which necessitated this appointment?

(b) Will Government kindly state what extra expenditure has been involved in the creation of this appointment, i.e., Superintendent's pay, stenographer's pay, jemadar and peons, and travelling allowances of all the above?

Mr. G. S. Bajpai: (a) On the 7th April, 1931. As regards the necessity for the appointment, the Honourable Member's attention is invited to the reply given in this House by the Honourable Sir Fazl-i-Husain on the 2nd February, 1931, to Lala Jagan Nath Aggarwal's starred question No. 260.

(b) The total expenditure amounted to Rs. 17,420 in 1931-32, exclusive of savings of at least Rs. 3,780 per annum effected by the abolition or reduction of certain posts.

Mr. M. Maswood Ahmad: Is it a fact that about Rs. 5,000 are spent for preparing the quinquennial report and that that amount is apart from the amount which has been just mentioned by my Honourable friend?

Mr. G. S. Bajpai: I could not say off-hand what the amount spent by the Delhi Administration on the preparation of their part of the quinquennial report is, but the figures which I have given relate only to the cost of maintaining the post of the Superintendent of Education and his ordinary staff.

Mr. M. Maswood Ahmad: Is it not a fact that the two posts, i.e., of the Educational Commissioner and of the Superintendent of Education, were in the hands of one officer when the separate post of the Superintendent of Education was not created by the Government of India? Is it a fact that in those days no separate officer was appointed to prepare this report?

Mr. G. S. Bajpai: My recollection is—I am speaking from memory—that even when the Educational Commissioner with the Government of India held the collateral charge of the post of the Superintendent of Education, there was always a Special Officer appointed to prepare the quinquennial part of the report.

Mr. M. Maswood Ahmad: Will the Honourable Member see the file?

CREATION OF THE POST OF A CLERK IN THE OFFICE OF THE SUPERINTENDENT OF EDUCATION, DELHI.

472. ***Mr. M. Maswood Ahmad:** Is it a fact that a post of clerk has recently been created in the office of the Superintendent of Education, Delhi? Will Government kindly say whether this post was advertised in any paper? If not, why not? If it was advertised, will Government kindly state the name of the paper in which this advertisement appeared? If no advertisement was made, was the Deputy Commissioner's office or the Chief Commissioner's office asked to nominate any one to the post, if there were any candidates in those offices? If not, why not? Is it a fact that a non-matriculate daftri of the Superintendent of Education's office was appointed to that post although there were applications of Muslims with higher qualification?

Mr. G. S. Bajpai: Yes. The post was purely temporary and the man referred to by the Honourable Member was selected for it, because he had officiated as clerk on three previous occasions before the appointment of the present Superintendent, to do the same kind of work as is required of the incumbent of the present temporary post. It was not considered necessary, therefore, either to advertise or to go outside the office. As there were six Muslim clerks out of nine clerks in the Superintendent's office at the time this appointment was made, the need for limiting the selection to a Muslim did not arise.

WITHDRAWAL OF THE DELHI CONSPIRACY CASE.

473. ***Mr. M. Maswood Ahmad:** (a) Will Government be pleased to make a statement in regard to the circumstances which led to the withdrawal of the Delhi Conspiracy Case?

(b) Will Government please state:

- (i) the cost of the case,
- (ii) the names of the accused detained under Regulation III of 1818,
- (iii) the names of the released accused,
- (iv) the names of the accused who will be tried under the ordinary law and the section of the Act under which they will be tried,
- (v) the Courts by which they will be tried, and
- (vi) the estimates of the new trials?

The Honourable Sir Harry Haig: (a) The facts are stated in the Communiqué issued on the 3rd February to which I would refer the Honourable Member.

(b) I lay a statement on the table giving the information required.

12, 31 N 33
N 33.2

63539

Statement.

Cost of the Case.	Names of accused detained under Regulation III of 1918.	Names of accused released.	Names of accused to be tried under ordinary law.	Sections of the law under which they are charged.	Name of the trying court.	The estimated expenditure of trial of cases in column 4.
Rs. 3,52,573 up to January 31, 1933.	1. Vidya Bhushan 2. Khiali Ram Gupta.	1. Rudra Dutt Misra. 2. Harkesh. 3. Bhagirat Lal. 4. Hardwari Lal Gupta.	1. Dhanwantri. 2. Vaishampayan. 3. Potdar. 4. Vatsayan. 5. B. R. Gupta. 6. B. P. Jain. 7. Kapur Chand. 8. N. K. Nigam.	307, I. P. C. and 19 (f) of Indian Arms Act. 4, 5 and 6 of the Explosive Substances Act. 4 and 5 of the Explosive Substances Act and 19 of the Indian Arms Act.	Special. Magistrate, Delhi. A court in the U. P.	Rs. 46,800.*

*N. B.—These figures exclude expenditure on account of the police establishment employed in connection with these cases for protective and other duties.

COST OF THE MEERUT CONSPIRACY CASE.

474. *Mr. M. Maswood Ahmad: Will Government be pleased to state the total cost of the Meerut Conspiracy Case?

The Honourable Sir Harry Haig: I would refer the Honourable Member to the reply given by me on the 21st instant to part (a) of Mr. S. C. Mitra's starred question No. 396, which gives the expenditure incurred by the Government of India. In addition, certain expenditure was incurred by the Government of the United Provinces. This is being ascertained and I will lay a statement on the table in due course.

AMOUNT OF FIVE PER CENT WAR LOAN AND BONDS CONVERTED INTO FOUR PER CENT LOAN.

475. *Mr. M. Maswood Ahmad: Will Government be pleased to state, according to the latest figures available, what amount of five per cent War Loan of 1929—47, five per cent Bonds of 1933 and six per cent Bonds of 1933—36 have been converted into four per cent. loan of 1960—70?

The Honourable Sir George Schuster: I would refer the Honourable Member to the Press Communiqué issued this morning which states that conversions effected up to the 24th February amounted to about Rs. 26 crores.

Mr. M. Maswood Ahmad: Is a copy of that communiqué in the Library?

The Honourable Sir George Schuster: I do not understand what my Honourable friend is asking for. I have given the information that conversions up to the 24th February amounted to approximately 26 crores.

Dr. Ziauddin Ahmad: What was the total sum out of which these 26 crores were converted?

The Honourable Sir George Schuster: I am afraid I cannot give the Honourable Member that information, but it will be published in full when the loan closes.

Seth Haji Abdoola Haroon: At present the time for this conversion is up till the 28th February. Do Government intend to extend the time?

The Honourable Sir George Schuster: Certainly not; if any holders of the convertible securities do not take the opportunity, which we are offering them to convert on very favourable terms, then Government will be the gainer.

Dr. Ziauddin Ahmad: If any person has given notice before the 28th February and the transaction is not completed, will the transaction be allowed to be completed after the 28th February?

The Honourable Sir George Schuster: I am afraid I cannot tell the Honourable Member off-hand what the exact regulations are; but the regulations followed will be exactly the same as those which are always followed in every conversion scheme.

DIFFERENT QUALIFICATIONS FOR WOMEN VOTERS.

476. ***Mr. M. Maswood Ahmad:** (a) Have the Government of India received any reference, regarding the different qualifications for women voters, from the Right Honourable Sir Samuel Hoare, the Secretary of State for India?

(b) Have Government invited the opinions of Local Governments in this connection?

(c) Do Government propose to ascertain the views of the different Women's Associations of India in this matter?

(d) Do Government propose to ascertain the views of the Legislative Assembly before forwarding their opinion to the Secretary of State?

The Honourable Sir Brojendra Mitter: The Government of India have been in correspondence with Local Governments and the Secretary of State in regard to the franchise proposals generally, including differential qualifications for women. I can say no more than that the proposals are now under the consideration of the Secretary of State.

Mr. K. Ahmed: How is it that the Government of India and the Provincial Governments have taken steps to ask the district officers to prepare electoral rolls in the constituencies, and how is it that it is going on in active motion now?

The Honourable Sir Brojendra Mitter: When Local Governments are consulted, it is for them to decide what steps they will take to ascertain the views of the province, and the Government of India do not go into the details of the machinery used by the Local Governments.

†477.

STRIKE ON THE MADRAS AND SOUTHERN MAHRATTA RAILWAY.

478. ***Mr. M. Maswood Ahmad:** (a) Will Government kindly make a statement regarding the strike on the Madras and Southern Mahratta Railway on the facts which have taken place after Government's reply to my short notice question in December, 1932?

(b) If any settlement has been arrived at, what are the terms of that settlement?

(c) Have all the strikers been re-appointed or not? If the reply to the above be in the negative, will Government please state the number of those who have not been re-appointed with reasons for doing so?

†This question was not put by the questioner.

The Honourable Sir Joseph Bhore: Sir, as the answer is somewhat lengthy, I propose, in order to save the time of the House, to lay it on the table.

(a) In the statement made by me in the House on the 24th November, 1932, I dealt with the facts up to that date. The strike continued beyond the 24th November, 1932, without any change of importance in the situation until the 18th December, 1932, when a Committee was convened by the Sheriff of Madras consisting of prominent citizens, under the Chairmanship of Mr. F. E. James, with a view to effect a settlement. The Committee succeeded in framing terms for a settlement which were accepted by both parties and the terms of settlement were published on the 23rd December, 1932. Unfortunately, the dispute was prolonged on account of differences of opinion as to the interpretation of the terms of settlement regarding the exclusion of 63 workmen at Arkonam and some 300 workmen at Hubli and the Madras and Southern Mahratta Railway Employees' Union advised the men not to go back to work on account of an alleged breach of the terms of settlement on the part of the Agent, Madras and Southern Mahratta Railway. A communiqué was issued by the Agent, Madras and Southern Mahratta Railway, on the 27th December, 1932 (copy of which is in the Library of the House), in which the Agent stated that the exclusion of certain workmen at Arkonam and at Hubli had been made clear by him to the Citizens Committee on the 18th December, 1932, and that he had then intimated that the Administration would not go back on the action taken. The Agent's communiqué of the 27th December, 1932, also stated that though two paragraphs which the Agent had suggested for inclusion were not actually contained in the terms of the settlement, the Agent had received the assurance of the Chairman of the Committee that the position at Arkonam and Hubli had been made clear and accepted. Members of the Committee then in Madras during the Christmas holidays met the Union representatives in the meantime, and strongly advised a resumption of work pending the re-assembly of the full committee when the outstanding issues would be taken up. The Citizens Committee re-assembled on the 2nd January, 1933, and made further endeavours to bring the parties to an agreed conclusion but the Committee abandoned their efforts on the 5th January, 1933, owing to the unwillingness of the Union to withdraw the allegation of a breach of the terms of the settlement by the Agent. The Committee issued a communiqué on January 5th (a copy of which is in the Library of the House) explaining the position as it stood at that date, affirming that there had been no breach of the settlement by the Agent, and that the charges levelled against him had made a settlement of the outstanding issues more difficult. As a rejoinder to the communiqué issued on the 5th January by the Committee, the Union issued a statement to the Press on the 6th January, 1933, which in turn was followed by a further communiqué from the Citizens Committee on the 7th January, 1933. Subsequently the strike was called off by a resolution passed by the Central Council of the Madras and Southern Mahratta Railway Employees' Union on the 7th January, 1933, accepting the terms of settlement arrived at by the Committee, but affirming that in their opinion they involved the re-instatement of all the men at Arkonam and Hubli, and that further action would be taken in that connection.

(b) A copy of the terms of the settlement has been placed in the Library of the House.

(c) No. The Agent reports that all the strikers were taken back except 63 workmen at Arkonam whose places were filled during the strike and some 300 workmen at Hubli who were excluded, being surplus to the requirements of the Administration. The facts are as explained by the Agent in his communiqué of the 27th December, 1932, that between the 4th and 10th December, 1932, the strikers at Arkonam were warned that if 64 strikers of certain categories required to carry on work did not return to work by a specified date new men would be taken on to replace them on a permanent basis; that in the result one striker returned, 39 men who had been retrenched last year and who were consequently on the waiting list were re-employed and 24 new men were taken on. It is understood that the 63 men of the strikers at Arkonam have been taken back on a temporary basis in spite of the non-withdrawal by the Union of its allegations. The workshop staff at Hubli were similarly warned by the Agent on the 21st November, 1932, that any man absent from work without leave on the afternoon of the 22nd November or thereafter until further notice would be assumed to have left the Company's service and would be refused admittance to the works. In accordance with this warning about 300 men who were surplus were not taken back at Hubli.

It is understood that prior to the warning given at Hubli on the 21st November notice had been given by the Agent that no retrenchment was contemplated in the shops there but warning the men that there was a surplus of labour in the workshops at Hubli and that if the men struck work, all would not be taken.

Mr. M. Maswood Ahmad: Are Government aware that by laying the statement on the table, it will be very difficult for us to put supplementary questions?

The Honourable Sir Joseph Bhoré: After studying the statement carefully, my Honourable friend can always raise any point he wishes to raise, by another question.

Mr. M. Maswood Ahmad: Will the Honourable Member be pleased to state whether Mr. James who was the President of the Citizens' Committee is the same gentleman who is a Member of this House?

The Honourable Sir Joseph Bhoré: Yes, Sir.

Mr. M. Maswood Ahmad: There was some allegation that the Agent did not follow the terms of the settlement. Will Government be pleased to state what are those particular terms with regard to which this allegation was made?

The Honourable Sir Joseph Bhoré: If my Honourable friend had listened to the speech made by Mr. James on the last occasion, that point would, I think, have been clear to him.

Mr. M. Maswood Ahmad: I do not find my reply in that speech.

Mr. N. M. Joshi: In view of the fact that this matter is very important and that we would like to ask supplementary questions, will the Honourable Member be good enough to read his reply?

The Honourable Sir Joseph Bhoré: I have no objection, but I thought the House was desirous of getting to the business of the day as quickly as possible.

Mr. Chairman (Sir Hari Singh Gour): That point has been decided already.

NUMBER AND PERCENTAGE OF MUSLIM ENGINEERS ON THE RAILWAYS.

479. ***Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state the number and percentage of Muslim Engineers on the Railways?

(b) Will Government be pleased to state:

(i) whether these Engineers are appointed as a result of a competitive examination, or

(ii) whether they are appointed by the Agents of the different Railways or the Railway Board?

(c) Do Government propose to appoint more Muslims as Engineers on the different Railways to redress their past inadequate representation?

Mr. P. R. Rau: (a) On 1st April, 1932, the number and percentage were as follows:

State-managed Railways	18	4.9 per cent.
Company-managed Railways	8	2.9 per cent.

Full information regarding individual Railways will be found in Appendix F of the Report by the Railway Board on Indian Railways, copies of which are in the Library of the House.

(b) Selections for the Indian Railway Service of Engineers for State-managed Railways are made through the Public Service Commission, who hold a competitive examination. On Company-managed Railways appointments are made by their Boards of Directors.

(c) Rules for the recruitment of Engineers to the Indian Railway Service of Engineers provide that 2/3 of the vacancies will be filled on the results of the competitive examination in the order of merit. The remaining 1/3 vacancies are reserved to redress, so far as may be necessary, marked communal inequalities. Appointments made on these grounds are made after consultation with the Public Service Commission.

Dr. Ziauddin Ahmad: The Honourable Member referred to a certain book in the Library. Are the figures there up to 1931-32 or up to 1932-33?

Mr. P. R. Rau: I think the report is with reference to 1931-32.

Dr. Ziauddin Ahmad: The object is to give us the latest figures, and, if you give one-year old figures, the object is frustrated.

Mr. P. R. Rau: I have given figures up to 1st April, 1932.

Dr. Ziauddin Ahmad: But we want the figures for 1933.

Mr. P. R. Rau: The 1st April, 1933, is still to come. I am sure the House does not require us to collect figures day by day.

Lieut.-Colonel Sir Henry Gidney: In view of the Honourable Member's reply to the last question that communal proportion is decided by reference to the Public Services Commission, will the Honourable Member inform this House whether that decision is based primarily on the actual representation at the time of the various communities in these services?

Mr. P. R. Rau: I must ask for notice of that question. I do not recollect the exact procedure.

COUNTRIES WITH GOVERNMENT OF INDIA REPRESENTATIVES, HIGH COMMISSIONERS OR TRADE COMMISSIONERS.

480. ***Mr. M. Maswood Ahmad:** Will Government please state the names of the countries in which they have their representatives or High Commissioners or Trade Commissioners? What amount is annually spent on these representatives?

The Honourable Sir Joseph Bhore: With regard to the first part of the question, the attention of the Honourable Member is invited to the reply given by me to part (a) of his question No. 451 on the 23rd February, 1933. To that list of countries should be added Arabia and Iraq. As regards the latter part, the information is being collected and will be laid on the table of the House as soon as possible.

PERCENTAGE OF INCREASE IN IMPORTS AND DECREASE IN EXPORTS.

481. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that the imports have increased in the month of December, 1932, as compared with the figures for the corresponding month of the preceding year and exports have gone down?

(b) If the reply to the above be in the affirmative, will Government please state the percentage of increase in imports and decrease in exports?

(c) Will Government be pleased to state the position of export and import in the month of January, 1933, as compared with the figures for the corresponding month of 1932?

The Honourable Sir Joseph Bhore: (a) and (b). The Honourable Member is referred to the statement on page V of the Accounts relating to the Seaborne Trade and Navigation of British India for December, 1932, a copy of which is in the Library of the Legislature.

(c) A statement is laid on the table.

Statement showing the values of British Indian imports, exports and re-exports of private merchandise in the month of January during the years 1932 and 1933.

	January.	
	1932.	1933.
	Rs.	Rs.
	(000)	(000)
Imports	10,93,35	10,65,60
Exports	13,19,81	11,43,45
Re-exports	36,68	28,09

REFUSAL OF LEAVE ON FULL AVERAGE PAY TO INFERIOR SERVANTS IN THE LEGISLATIVE DEPARTMENT.

482. ***Maulvi Muhammad Shafee Daoodi** (on behalf of Maulvi Sayyid Murtuza Saheb Bahadur): (a) Is it a fact that under the Fundamental Rules inferior servants are eligible for leave on full average pay for four months at a time and that such leave is granted to inferior servants in the Home and Finance Departments?

(b) Is it a fact that leave on full average pay exceeding one month is, as a rule, refused to inferior servants, especially daftries, in the Legislative Department?

(c) If replies to parts (a) and (b) above are in the affirmative, will Government be pleased to state whether the lack of uniformity of treatment in the various Departments is due to varying interpretation of the rules or to the existence of leave reserve in some and its absence in the other Departments?

(d) Is there no leave reserve for daftries in the Legislative Department? If not, why not?

The Honourable Sir George Schuster: (a) Inferior servants in Departments of the Government of India and elsewhere are eligible for leave under the Fundamental Rules, but the absentee allowance of an inferior servant on leave must not exceed what remains from his pay after provision is made for the efficient discharge of his duties during his absence. In practice, therefore, the period for which an inferior servant may draw full leave salary depends on the length of time for which his head of office can spare him without engaging a substitute.

(b) and (c). Certain Departments of the Government of India have had in the past ampler leave reserves of inferior servants than others, notably the Legislative Department, and have, therefore, been able to allow their inferior servants to enjoy longer periods of leave on average pay within the limits allowed under the Fundamental Rules. During the recent retrenchment campaign, however, most Departments have reduced their inferior establishment with the probable result that inferior servants will get shorter periods of average pay leave. In Finance Department, for example, the leave reserves are now such as to admit leave on average pay for only one month annually, which approximates to the period which the Legislative Department has been able to give in the past.

(d) There is no leave reserve for daftries in the Legislative Department, but the question of adding one leave reservist, with the object of securing one month's leave annually for this class of staff, is under consideration.

Mr. N. M. Joshi: May I ask, Sir, why the Government of India make a difference between the inferior servants and others in the matter of leave?

The Honourable Sir George Schuster: I am afraid, I cannot answer the Honourable gentleman's question offhand. I think I must ask for notice.

Mr. N. M. Joshi: Is it not a fact that it is the policy of Government to give more to those who possess more and less to those who possess less?

PROTECTION TO PAPER INDUSTRY.

483. ***Lala Rameshwar Prasad Bagla:** (a) Will Government please state the number of paper mills in India in the year 1924 before protection was granted to the paper industry for the first time?

(b) It is probable that in some cases the facts are as stated by the Honourable Member. An extension of the system of employing extra-departmental agents to hold charge of small post offices was recommended by the Posts and Telegraphs Sub-Committee of the Retrenchment Advisory Committee as likely to result in important economies and is now being carried out wherever conditions permit; but Government have no information as to the number of remunerative branch offices so converted.

POSTAL CLERKS IN EACH POSTAL CIRCLE.

486. ***Mr. N. M. Joshi:** (a) Will Government please furnish a statement, circle by circle, showing the number of posts in the lower division of clerks in the Postal Department at the end of December, 1932?

(b) Will Government please state how many of the posts in each circle in the upper division of the clerical cadre in the Postal Department were replaced by posts in the lower division up to the end of December, 1932?

Sir Thomas Ryan: Information is being collected and will be placed on the table in due course.

APPOINTMENT OF INDIANS IN THE INDIAN VETERINARY CORPS.

487. ***Bhai Parma Nand:** (a) Is the Indian Veterinary Corps open to qualified Indians?

(b) Are Englishmen who have passed M. R. C. V. S. from the Royal Veterinary College, London, eligible for such commissions in the I. V. C.?

(c) Is there any objection to Indian M. R. C. V. S. from the same College to get a Commission in the I. V. C.?

(d) When will the next selection for Commissions in the I. V. C. take place this year?

(e) Are Government prepared to keep in view the claims of Indians and appoint qualified Indian M. R. C. V. S. candidates?

(f) To what authority Indian M. R. C. V. S. candidates should apply for Commission in the I. V. C. in India or England?

(g) If such appointment is secured by competition, where and when will the examination be held?

Mr. G. R. F. Tottenham: (a) Yes.

(b) No, Sir. They are eligible for commissions in the Royal Army Veterinary Corps.

(c) No.

(d) Probably no selection will be made this year.

(e) Certainly.

(f) To the Quartermaster General in India.

(g) The method of recruiting Indians for King's Commissions in the Indian Army Veterinary Corps in future is under consideration.

Mr. Gaya Prasad Singh: May I know, Sir, if there is any Indian in this section of the Indian Veterinary Corps?

Mr. G. R. F. Tottenham: Yes, Sir, the whole of the Indian Army Veterinary Corps is composed of Indians.

PAY AND ALLOWANCES OF THE TRAVELLING TICKET INSPECTORS AND OTHERS ON THE EAST INDIAN RAILWAY.

488. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Khan Bahadur Haji Wajihuddin): (a) Will Government be pleased to state if the decision in the case of the pay and allowances of the T. T. Is. and others on the East Indian Railway as promised in reply to my starred question No. 939 in the November Session of 1932 has since been given by Government?

(b) If the answer be in the affirmative, has the decision been communicated to the Agent, East Indian Railway? If so, on what date?

(c) Will Government be pleased to lay on the table a copy of the decision?

(d) Is it true that the decision in connection with the North Western Railway staff has already been communicated to the individual employee, whereas on the East Indian Railway it is still being treated as an official secret?

Mr. P. R. Rau: (a) Yes.

(b) The decision of the Railway Board was communicated to the Agent of the East Indian Railway on the 22nd December, 1932. It was supplemented by a further communication dated the 30th January, 1933, to remove some doubts that he had in the matter.

(c) The decision of the Board was that an employee who held a permanent post in a substantive capacity prior to the introduction of the Crew system and who, on the introduction of the Moody-Ward scheme, was assigned duties approximately the same as prior to the introduction of the Crew system, should be allowed the option of retaining the scale of pay applicable to the permanent post held by him in a substantive capacity prior to the introduction of the Moody-Ward scheme. Employees who held permanent posts of Travelling Ticket Inspectors in a substantive capacity before the Crew system and drew a mileage or running allowance were also allowed, as an *ex gratia* measure, to draw monthly consolidated travelling allowances at special rates.

(d) I understand that the decision in the case of the staff of the North Western Railway has been communicated to them. As regards the East Indian Railway, there was some unavoidable delay owing to the fact that the Agent had some doubts regarding one point, and these doubts were resolved only after the further orders of the Railway Board issued at the end of January. I am informed that it is expected that the orders will be communicated to the staff concerned very shortly.

Dr. Ziauddin Ahmad: May I ask whether copies of these orders will be laid on the table or are they confidential?

Mr. P. R. Rau: Sir, the orders actually issued to the East Indian Railway contain some reference to a point which is still under consideration, and it is for that reason that I am unable to place a copy of those orders on the table of the House.

Sardar Sant Singh: Is it a fact that the option which was given to the T. T. Is. on the other Railways has not been extended to the T. T. Is. working on the N. W. R.?

(b) Will Government please state the present number of paper mills existing in India?

(c) Will Government please state how many of these mills are under European control?

(d) Is it a fact that Government Resolution No. 202-T. (28), dated the 3rd February, 1932, regarding bamboo pulp industry exempts the old paper concerns, which are mostly European, from fulfilling certain conditions laid down in the Fiscal Commission Report as necessary obligations on the industry claiming protection?

(e) Are Government aware of the allegation levelled against Government that the above resolution was designed only with a view to helping the European concerns? If so, is there any truth in the allegation?

(f) Are Government prepared to assure the House that all the old and new concerns will be required to satisfy in entirety all the conditions stipulated in the Report of the Fiscal Commission?

The Honourable Sir Joseph Bhore: (a) The Honourable Member is referred to paragraph 6 of the Tariff Board's Report of 1925 regarding the grant of protection to the Paper and Paper Pulp Industries, copies of which are in the Library.

(b) and (c). The Government of India have no information beyond that contained in paragraphs 10 and 106 of the Tariff Board's Report of 1931 on this subject, copies of which are also in the Library.

(d) The Honourable Member is referred to paragraph 7 of the Government Resolution in question.

(e) No, but if any such allegation has been made, it is entirely without foundation in fact.

(f) I have nothing to add to what was stated in the Government Resolution to which the Honourable Member has referred.

ABOLITION OF POSTS OF CERTAIN CADRES IN EACH POSTAL CIRCLE.

484. ***Mr. N. M. Joshi:** (a) Will Government please furnish a statement, circle by circle, showing the number of posts abolished, from the 1st January, 1932, up to the end of December, 1932, in each of the following cadres:—(i) Overseer postmen, (ii) Mail Overseers, (iii) Head Postmen, (iv) Sorting and Reading Postmen, and (v) Postmen and Village Postmen?

(b) If the information is not readily available, are Government prepared to collect it and place it on the table as early as possible?

Sir Thomas Ryan: (a) and (b). The latest date for which figures are readily available is 30th November, 1932, and a statement containing them is laid on the table. Though the statement does not classify the personnel exactly on the lines of the Honourable Member's question, Government hope that it will meet his requirements as the collection of more detailed information would involve a great expenditure of time and labour.

Statement showing the number of appointments, abolished of—

- (1) Overseers (including Mail and Cash Overseers)
- (2) Head Postmen, Postmen and Village Postmen,
- (3) Sorting postmen—for the period from the beginning of Retrenchment upto the 30th November, 1932, laid on the table in reply to Starred Question No.

Designations of posts.	Bengal and Assam.	Bihar and Orissa.	Bombay.	Burma.	Central.	Madras.	Punjab and N. W. F.	Sind and Baluchistan.	United Provinces.	Total.
1. Overseer (including Mail and Cash Overseers).	1	7	3	3	16	5	6	1	23	65
2. Head Postmen, Postmen and Village Postmen.	371	97	315	84	155	93	376	21	275	1,787
3. Sorting Postmen.	12	..	..	..	..	..	..	..	..	12

CONVERSION OF BRANCH POST OFFICES INTO EXTRA-DEPARTMENTAL ONES IN EACH POSTAL CIRCLE.

485. ***Mr. N. M. Joshi:** (a) Will Government please furnish a statement, circle by circle, showing the number of departmental branch post offices converted into extra-departmental ones from the 1st January, 1932, up to the end of December, 1932?

(b) Is it a fact that even those departmental branch post offices which were remunerative were also converted into extra-departmental? If so, will Government please furnish a statement, circle by circle, showing how many such remunerative branch offices have been so converted up to the end of December, 1932?

Sir Thomas Ryan: (a) The latest figures available are those for the period ending the 30th November, 1932, and are as follows:

Bengal and Assam Circle	84
Bihar and Orissa Circle	75
Bombay Circle	108
Burma Circle	37
Central Circle	53
Madras Circle	55
Punjab and N.-W. F. Circle	98
Sind and Baluchistan Circle	10
United Provinces Circle	44

Mr. P. R. Rau: That point was brought to my notice the other day by some Honourable Members on the opposite side and I am having it examined.

Sardar Sant Singh: May I know if it is a fact that the old duties which these T. T. Is. were required to do were abolished and some collective system was introduced on the N. W. Ry., and that now since sometime past the same duties have been allotted to these T. T. Is. with less remuneration?

Mr. P. R. Rau: I have no information about that at present. That is a question which will come under examination in connection with the investigation which I have referred to.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member please inform this House when orders will be conveyed to these employees, T. T. Is. and T. T. Es. on the N. W. Ry., as to the decision of the Railway Board? I wish to point out to the Honourable Member that, this is the only Railway on which these employees do not know what has been decided regarding their appeals.

Mr. P. R. Rau: Orders have already been communicated to the N. W. R. Staff.

APPOINTMENT OF MUSLIMS AS ASSISTANT SURGEONS ON THE EAST INDIAN RAILWAY.

489. ***Maulvi Muhammad Shafee Daoodi:** (a) Are Government aware that there is no Muslim Assistant Surgeon employed in the Medical Service of the East Indian Railway?

(b) If the answer is in the affirmative, do Government propose to take early steps to make up the deficiency in that direction?

(c) Are Government aware that there are some vacancies of Assistant Surgeons in the Medical Service of the East Indian Railway for which recruitment is going to be made?

(d) Are Government prepared to take such steps as would ensure the appointment of Muslims to these posts?

Mr. P. R. Rau: (a) and (c). Yes.

(b) and (d). A copy of the question has been sent to the Agent, East Indian Railway, who is competent to make these appointments, for such action as may be necessary. He is aware of Government's policy with regard to preventing a preponderance of any one class or community in the railway services.

RESTRICTIONS ON GUESTS LIVING WITH THE INDIAN CLERKS OF THE VICEREGAL ESTABLISHMENT.

490. ***Mr. K. P. Thampan** (on behalf of Mr. T. N. Ramakrishna Reddi): (a) Is it a fact that Indian clerks of the Viceregal establishment living in the Lower Ridge Road and Hasting Square are required to obtain permission of the Military Secretary to His Excellency the Viceroy to put up their guests with them? If so, why is this permission considered neces-

sary? Is it a fact that other clerks of the Government of India living next to the Hastings Square and nearer the Viceroy's House have no such restrictions imposed upon them?

(b) Are Government aware that this restriction entails unnecessary hardship and inconvenience to the clerks concerned? If so, do Government propose to remove them?

The Honourable Sir Harry Haig: (a) The answer to the first part of the question is in the affirmative. The reason is that the quarters, which are occupied free of rent, are under the administrative control of the Military Secretary to the Viceroy.

(b) The order, which makes it necessary for Indian clerks of the Viceregal Estate to apply for permission to put up guests in their rent-free quarters, is also applicable to the European clerical and Household establishments. As permission to have guests is refused only in cases, which would involve overcrowding or in which the guests to be invited are undesirable characters, Government do not consider that any hardship is caused and do not propose to take any action.

DISADVANTAGE CAUSED TO THE PUBLIC BY THE AMENDMENT OF THE CURRENCY NOTES (REFUND) RULES, 1921.

491. ***Mr. S. C. Mitra:** (a) Has the attention of Government been drawn to the serious disadvantage caused to the public by the amendment of the Currency Notes (Refund) Rules, 1921, effected by the Finance Department in 1927, making it practically impossible for the lawful holder to get full value for half notes of higher denominations, if the other halves of the notes are lost, stolen or destroyed?

(b) Is it a fact that under the altered rules:

(i) the Currency Department cannot refuse payment to any person who presents the other half, even if that be stolen property; and

(ii) it is not obligatory on Government to inform the police or the lawful holder of the notes when the stolen half or full notes are presented and payment is made, in spite of timely information being given to the staff concerned?

(c) If the answer to part (b) be in the affirmative, will Government kindly state:

(i) the reasons for such a change in the rules; and

(ii) whether they are satisfied that this is not against the principles underlying section 45, Cr. P. C., and sections 175 and 176, I. P. C.?

(d) Have Government considered the question whether this rule will increase the risks of the notes of higher denominations and is likely to affect prejudicially their circulation?

(e) If so, do Government propose to revert to the former unamended rules? If not, why not?

The Honourable Sir George Schuster: (a) Representations have been made to Government.

(b) (i) No.

(ii) Yes

- (c) (i) The reasons were fully explained in a resolution at the time.
 (ii) No.
 (d) The figures do not indicate that this change in the rules has had any adverse effect on the note circulation.
 (e) No. The decision was taken after full consideration and Government see no reason to alter it.

RETRENCHMENT IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

492. ***Pandit Satyendra Nath Sen:** (a) Is it a fact that the Government of India orders make it obligatory upon all its Departments to retire, as a measure of economy, such men as have attained the age of 55 or have put in 30 years' service?

(b) If the reply to the above question be in the affirmative, will Government be pleased to state:

- (i) what is the number of such clerks in the Railway Clearing Accounts Office;
 (ii) how many of them have been made to retire; and
 (iii) what amount of saving has been effected by the retrenchment of such clerks?

(c) Is it a fact that there are still some persons in the Railway Clearing Accounts Office, who come under the above category, but have not yet been retired, whereas men with four or five years service have been retrenched?

(d) Is it a fact that the retrenchment of these clerks is in contravention of the recommendations contained in the Finance Department's letter dated the 3rd August, 1932?

(e) If so, why was this unusual course adopted?

(f) Are Government prepared to take steps to re-employ these retrenched clerks?

Mr. P. R. Rau: (a) I presume my Honourable friend is referring to the orders contained in the Finance Department letter dated the 3rd August, 1931, which he mentions in part (d) of the question. These orders were not intended to apply to the railway staff in whose case special orders were issued by the Railway Board in March, 1931. The orders applicable to the railway staff, who were retrenched in the first block retrenchment, were to the effect that men who were to be selected for discharge should be selected in the following order:

- (1) those who were inefficient;
- (2) those who were least efficient;
- (3) those who had short service; and
- (4) those who were nearing the age of superannuation.

It was subsequently decided, following the recommendation of the Railway Court of Enquiry, that further discharges were to be effected according to the simple rule of length of service.

(b) Does not arise.

(c) There are none in Service who have completed the age of 55, but there are 28 men who have completed 30 years service.

(d) No.

(e) and (f). Do not arise.

VOLUNTARY RETIREMENTS IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

493. ***Pandit Satyendra Nath Sen:** (a) Will Government be pleased to state whether it is a fact that the period for inviting applications for voluntary retirement was restricted in the Railway Clearing Accounts Office from the 1st October, 1932, to the 30th November, 1932?

(b) Are Government aware that there are still some clerks in the Railway Clearing Accounts Office who are willing to offer themselves for retirement, but that such clerks could not do so for insufficiency of time and ignorance of that circular?

(c) If so, are Government prepared to extend the period to give these men a further chance to enable them to apply for putting in their applications for retirement?

Mr. P. R. Rau: (a) The last date was 31st October, 1932, as in the majority of State Railways.

(b) I have been informed of one such case.

(c) The suggestion will be considered.

Mr. M. Maswood Ahmad: Will the Honourable Member be pleased to give the name of the officer who wanted to retire?

Mr. P. R. Rau: I think it was a clerk; I have not got the name with me at present.

ALLEGED BEGINNING OF REPRESSION IN BALUCHISTAN.

494. ***Seth Haji Abdoola Haroon:** (a) Will Government be pleased to state whether their attention has been drawn to a leading article under the heading "Beginning of Repression in Baluchistan", which was published in the *Inquilab* of Lahore, dated the 6th February, 1933?

(b) If so, are the contents thereof correct?

(c) Is it true that the repressive policy adopted there is in connection with the recent All-India Baluch Conference, as alleged therein?

(d) Are Government prepared to stop such policy?

Mr. H. A. F. Metcalfe: (a) Yes.

(b) No.

(c) No repressive policy has been adopted.

(d) Does not arise.

Seth Haji Abdoola Haroon: Were any clerks discharged after this Conference was held in Jacobabad?

Mr. H. A. F. Metcalfe: I am not in a position to give the Honourable Member a reply to that question. I have answered what he asked me in my reply to his main question. If he wishes to raise any particular case, I must ask for notice.

Dr. Ziauddin Ahmad: May I ask whether the discharge of men is not public property? It cannot be confidential, and I think there is no point in withholding the information.

Mr. H. A. F. Metcalfe: I have not the least objection to communicating the reply if I knew it; but it is obviously impossible for me to say whether a clerk has been discharged or has not.

ELEVATION OF BALUCHISTAN TO THE STATUS OF OTHER PROVINCES IN INDIA.

495. ***Seth Haji Abdoola Haroon:** (a) Are Government prepared to lend their support to the All-India Baluch Conference resolutions to bring up Baluchistan to the level of the other provinces in matters educational, social and economic?

(b) If so, do they contemplate obtaining the services and support of the prominent Sardars and Chiefs of Baluchistan, with a view to achieving the object more easily?

Mr. H. A. F. Metcalfe: The Honourable Member's attention is invited to the replies recently given to his previous questions on the same subject.

RECRUITMENT OF COVENANTED OFFICERS IN THE SIGNAL DEPARTMENT OF STATE RAILWAYS.

496. ***Mr. S. C. Mitra:** (a) Is it a fact that a large number of covenanted officers in the Signal Departments of the State Railways have been recruited during the last five years? If so, will Government be pleased to state the number of such covenanted officers and the reasons for such recruitments?

(b) Is it a fact that Indians with experience of the signal engineering and working of English and Continental Railways are available in India and, if so, will Government be pleased to state why European covenanted officers are recruited from abroad?

(c) Is it a fact that Messrs. Ridley and Eldridge in the Signal Department of the Eastern Bengal Railway were recruited under a contract for a certain term? If so, will Government be pleased to state the period of the original contract? Is it a fact that they are still being retained, though the period of their original contract was over; if so, why? Do Government propose to replace them by equally qualified Indians, if available? If not, why not?

Mr. P. R. Rau: (a) The number of officers directly recruited to the superior service of the Signal Department of State Railways in the last five years was five, of whom two were Europeans. These were all recruited between February 1928, and April 1929, and since then there has been no further recruitment.

(b) Government are informed that there are at present Indians available with experience of Signal Engineering work; but, as I have already pointed out, there has been no recruitment since 1929.

(c) Messrs. Ridley and Eldridge, who are subordinates and not officers, were recruited in January, 1925, and July, 1928, respectively, on a five-year contract through the High Commissioner as no Indians of requisite qualifications were available in India at the time. They were recruited on the understanding that if they proved satisfactory, their employment would continue beyond the initial period for which the contract was made. Government do not propose to terminate their contracts, except in the contingency of their proving unsatisfactory.

Mr. Lalchand Navalrai: May I know, apart from these two Europeans, what was the race of the other three?

Mr. P. R. Rau: Indians, Sir.

Diwan Bahadur A. Ramaswami Mudaliar: The Honourable Member said that they were recruited on the understanding that, if they proved competent, their term will be extended. May I know, in what form that understanding has been incorporated and at what stage that understanding was arrived at?

Mr. P. R. Rau: I believe it was in the contract.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member said that these two subordinates were recruited as officials in England in view of the fact that no one fitted or suitable was available in India at that time. Will the Honourable Member inform this House what inquiries he made in India and, if he seriously contends that in these years of advanced tuition and experienced Indians begging for appointments, the Public Service Commission did not supply him with adequately qualified Signal Engineers and that they were compelled to recruit these subordinates in England?

Mr. P. R. Rau: We are referring to periods five and eight years ago.

Diwan Bahadur A. Ramaswami Mudaliar: Am I to understand from the Honourable Member's reply that there is an objection on the Government to renew their contract, that the option is really on the other side and not on the side of the Government?

Mr. P. R. Rau: The understanding in respect of contracts of this nature is that, if a man, who is employed for the initial period of five years, proves his worth and his work is satisfactory, he is continued indefinitely.

Lieut.-Colonel Sir Henry Gidney: At the termination of the contract of these officers and if, at that period, Indians and others are procurable, men capable of doing the work, will Government give an undertaking that these contracts will be terminated and that the appointments will be filled in India?

Mr. P. R. Rau: Unless at the time of recruitment these men were given definitely to understand that they were employed only for a period of five years, I submit, it is inequitable to terminate their contracts after that period.

Mr. S. C. Mitra: Why should they not be given to understand definitely that when trained Indians will be available, they will be replaced after their contract period expires?

Mr. P. R. Rau: As I have already mentioned, these things happened in 1925 and 1928, and I am unable to explain what happened then.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member state whether or not, on the termination of this contract, their services will be terminated?

The Honourable Sir Joseph Bhore: I would like to make it clear to the House that the Government cannot vary a contract or an understanding given at the time of the contract, but Honourable Members have raised a very important matter indeed and I promise to go into that question.

Mr. B. V. Jadhav: Is it not a fact that when Government enter into a contract for about five years with a servant, they have to pay higher salary than if they appointed a man outright on probation?

Mr. P. R. Rau: I do not think that was the fact in this case.

Mr. N. M. Joshi: May I ask whether that policy of giving an understanding has been changed or not?

Mr. P. R. Rau: I do not think there have been any fresh recruitments in the last few years.

Mr. N. M. Joshi: I am asking a general question, a question of general policy.

The Honourable Sir Joseph Bhore: I think that my reply covered that. I said that a very important matter had been raised and I promised to go into that question.

LOWERING THE FREIGHT OF RICE AND PADDY ON THE BURMA RAILWAYS.

497. ***Diwan Bahadur A. Ramaswami Mudaliar** (on behalf of U Ba Maung): (a) Are the Government of India aware that owing to the low price of rice great distress prevails in Burma among cultivators?

(b) Have Government any intention of lowering the freight of rice and paddy on the Burma Railways in order to assist the rice trade?

(c) Is it a fact that on some Indian Railways the freight for wheat has been lowered on account of the low price of wheat?

Mr. P. R. Rau: (a) Government are aware of the fall in price of rice which must naturally be a source of distress to the cultivators in Burma.

(b) The question of lowering the freight rate for rice and paddy on the Burma Railways is not at present under contemplation by Government.

(c) The Honourable Member has apparently in mind the reduction in the rates for wheat to Karachi which were effective at the end of 1930. These rates were temporarily reduced in the hope of enabling surplus

wheat to find a market overseas and have since been withdrawn. This reduction was not solely on account of the low price of wheat and I am unaware that the freight rate for wheat has been lowered on any railway for this reason.

Mr. M. Maswood Ahmad: Is it a fact that rates on N. W. R. for rice are less than the rates on the E. I. R.?

Mr. P. R. Rau: I believe the contrary is the case.

Diwan Bahadur A. Ramaswami Mudaliar: Are Government aware that, owing to the depreciation of the Japanese yen, the freight charges from Rangoon to Colombo have tumbled down to disastrous levels and are they thinking of lowering the freight charges on the South Indian Railway to enable Indian rice to compete favourably in the Ceylon market?

Mr. P. R. Rau: I must have notice of that question. It does not directly arise from this question.

Mr. M. Maswood Ahmad: Will the Honourable Member please refer to his letter dated the 22nd February, 1933, in which he mentions the rates on the N. W. R. and E. I. R. when saying that the facts I said were not correct and that it was quite the contrary?

Mr. P. R. Rau: Will my Honourable friend kindly read the extracts which he refers to?

Mr. M. Maswood Ahmad: It is this way:

Schedule C/B for any distance	333 pie per md. per mile.
Schedule C/K for the first 150 miles	380 pie per md. per mile.
Plus for distances between 151 and 250 miles	333 pie per md. per mile.
Plus for distances between 251 and 500 miles	200 pie per md. per mile.
Plus for distances between 501 and 700 miles	130 pie per md. per mile.
Plus for distances in excess of 700 miles	100 pie per md. per mile.

Mr. C. S. Ranga Iyer: On a point of order, Sir. Even though the statement arises from a question put from the other side, I should like to know whether it is in order during interpellation time to read a whole statement which we are not able to follow, with statistics and things of that kind? Is it not proper that this question should be put in the shape of a question on paper, so that Honourable Members may have an opportunity to understand it?

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is putting a supplementary question and is refreshing the memory of the Financial Commissioner with reference to what the Financial Commissioner has himself said.

Mr. P. R. Rau: If you will permit me, I can just explain in brief to the House that the statement made by my Honourable friend is not correct: the rates for the first 100 miles on the N. W. R. and the E. I. R. are the same, viz., 2 a. 9 p. For 300 miles on the E. I. R. it is 6 a. 2 p., and on the N. W. R. 7 a. 4 p. For 500 miles the rate on the E. I. R. is 7 a. 10 p.,

and on the N. W. R. 9 a. 4 p. For 700 miles the rate on the E. I. R. is 9 a. 6 p. and on the N. W. R. 11 a. 3 p. For 1,000 miles, the rate on the E. I. R. is 12 a. and that on the N. W. R. is 14 a. 2 p.

Mr. M. Maswood Ahmad: What about the *plus* rates which you are not taking into account?

Mr. P. R. Rau: I do not know what my Honourable friend is referring to by *plus* rates.

Mr. M. Maswood Ahmad: They are in your letter. You charge a certain amount over and above the rates given, after certain distances.

ACCUMULATION OF ARREARS IN THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT DUE TO RETRENCHMENT OF STAFF.

498. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. Muhammad Anwar-ul-Azim): (a) Is it a fact that the posts of one Assistant, two second division clerks and one third division clerk were surrendered with effect from March, 1932, by the Imperial Council of Agricultural Research Department as a measure of economy?

(b) Is it a fact that the above posts were sanctioned on account of the transfer of the Sugar Bureau work from the control of the Director, Pusa, to that of the Imperial Council of Agricultural Research Department? If so, are Government aware that the transfer of work, without the provision of additional staff, throws extra burden on the existing staff which is believed to be already meagre and much over-worked?

(c) Is it a fact that the whole staff right from the Superintendent to the Receipt Clerk has to sit invariably late and take files home and that in spite of this hard work the staff has huge arrears (cases about two or three months old) on their tables? If so, have the Department taken any steps to give them some relief?

(d) Is it a fact that the record work in the Department is hopelessly in arrears inasmuch as cases disposed of in September or October, 1932, have not yet been recorded and monthly indices for the cases recorded in 1932 have not yet been prepared? Is it a fact that no clerk is at present employed on recording A & B cases? If not, how does the Department propose to clear off arrears in recording?

(e) Is it a fact that five posts of clerks have been lying vacant in the Department for over a month? If it is so, and if the state of work is as described in parts (c) and (d) above, why were not these vacancies filled up soon after they occurred? Has not the postponement of recruitment to these vacancies added to the accumulation of arrears in the Department and the throwing of additional work on the staff? How does the Department justify this state of affairs?

Mr. G. S. Bajpai: (a) and (b). Yes.

(c) It is a fact that some of the members of the staff including the Superintendent and higher officers have frequently to work till late hours in office and also sometimes have to take work home. It is also true that in spite of this, arrears accumulate at times of pressure which are, however, cleared off afterwards as soon as possible. In view of the prevailing financial stringency, it has not been possible to secure the revival of the surrendered posts referred to in part (a) of the question.

(d) The answer to the first part of the question is in the affirmative, and that to the second part in the negative. The third part does not arise.

(e) No; there were only three short leave vacancies, which have since been filled up. They could not be filled up earlier as suitable men had to be selected from a very large number of applicants.

ACCUMULATION OF ARREARS IN THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT DUE TO RETRENCHMENT OF STAFF.

499. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. Muhammad Anwar-ul-Azim): Is it a fact that the stenographers attached to the Vice-Chairman, Animal Husbandry Expert and Secretary of the Imperial Council of Agricultural Research have little work to keep them sufficiently employed during office hours? If not, have Government considered whether one of them, especially the stenographer to the Vice-Chairman, who gets a special allowance of Rs. 50 p. m., in addition to his pay, is employed on case work and the remaining two attached to the three officers? If not, why not? Has the Secretary considered the desirability of giving some case work to his stenographer?

Mr. G. S. Bajpai: The answer to the first part of the question is in the negative. All the stenographers are fully occupied. The other parts of the question do not arise.

ACCUMULATION OF ARREARS IN THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT DUE TO RETRENCHMENT OF STAFF.

500. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. Muhammad Anwar-ul-Azim): What are the headings dealt with in the cash branch of the Imperial Council of Agricultural Research? What is the average number of receipts marked daily to a clerk in the cash branch and to a clerk in the Agriculture, General and Veterinary sections? If the number is comparatively much too low, does the Department propose to consider the advisability of transferring some more headings to the cash branch in order to maintain an equilibrium of work in the Department?

Mr. G. S. Bajpai: The headings dealt with by the cash branch of the Imperial Council of Agricultural Research Department are the same as those dealt with by cash branches of other Departments of the Government of India. The Cashier of the Imperial Council of Agricultural Research Department also acts as Cashier for heavy payments connected with grants sanctioned by the Imperial Council of Agricultural Research for research schemes.

As regards the second part of the question, Government regret that they cannot supply the figures as the labour involved in collecting them will not be commensurate with the results. The cash branch is composed of two clerks who are fully occupied.

DISPOSAL OF FILES PERTAINING TO ACCOUNTS MATTERS IN THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT.

501. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. Muhammad Anwar-ul-Azim): Is it a fact that the Accountant to the Imperial Council of Agricultural Research, who is a senior member of the Subordinate Accounts Service, is required only to note on files concerning the maintenance of the accounts of the Council and has been forbidden to put up

draft replies in accordance with his notes as is done by Assistants in the Secretariat? Is it a fact that the drafts on the basis of his notes are put up by clerks who are not well versed in accounts matters and are submitted to the Secretary through the Accountant, and that the latter has often to revise them in their entirety to elucidate the technical points involved? Are Government aware that the system results in unnecessary duplication of work, and have Government considered whether it will lead to quick disposal of files if the receipts pertaining to accounts matters are marked direct to the Accountant for disposal and he is permitted to submit them direct to the Secretary with complete action thereon?

Mr. G. S. Bajpai: According to the bye-laws of the Imperial Council of Agricultural Research, a copy of which is available in the Library of the House, the main duty of the Accountant is to assist the Secretary in maintaining the accounts and to advise him on all matters concerning audit and accounts and any Government rules which may be made applicable to the Society. The Accountant also puts up drafts where necessary. The apportionment of duties between the Accounts Section and other Sections is a matter to be decided by the Department with due regard to administrative convenience.

SUBMISSION OF FILES BY THE LAC CESS COMMITTEE TO THE VICE-CHAIRMAN, IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT.

502. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. Muhammad Anwar-ul-Azim): Is it a fact that the Lac Cess Committee submit their files to the Vice-Chairman, Imperial Council of Agricultural Research, because he is the President of the Committee? Does this work form part of the Secretariat work for which the Imperial Council of Agricultural Research Department was created and is it ever submitted to the experts attached to the Council or its Secretary? If not, why is this work not done by the Personal Assistant to the Vice-Chairman and submitted direct by him to the Vice-Chairman?

Mr. G. S. Bajpai: The answer to the first part of the question is in the affirmative. As regards the second part, the administration of the Lac Cess has recently been transferred from the Commerce Department to the Imperial Council of Agricultural Research Department, and, as such, cases relating to administration pass through the Secretary and also, when necessary, through the Agricultural Expert. The last part of the question does not arise.

MUSLIM PERMANENT ASSISTANT SURGEONS (MILITARY) ON THE EAST INDIAN RAILWAY.

503. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that on the East Indian Railway the sanctioned strength for permanent Assistant Surgeons (Military) on the 31st March, 1932, was 14, out of which one was a European, 11 were Hindus, and two were Anglo-Indians?

(b) Is it a fact that not a single Muslim is in employment in the posts mentioned in part (a)?

Mr. P. R. Rau: (a) and (b). The sanctioned strength of Military Assistant Surgeons for the East Indian Railway is four, one of whom is a European and three Anglo-Indians.

MUSLIM ASSISTANT SURGEONS (RAILWAY) ON THE EAST INDIAN RAILWAY.

504. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that on the East Indian Railway there was not a single Muslim Assistant Surgeon (Railway) on the 31st March, 1932?

(b) Has any Muslim been appointed since April, 1932, up till now on the East Indian Railway as Assistant Surgeon (Railway)?

(c) Is it a fact that a few posts of Assistant Surgeons have fallen vacant and new appointments are expected in the near future?

(d) Do Government propose to appoint sufficient number of Muslims to redress their long standing grievance?

Mr. P. R. Rau: (a) Yes.

(b) No.

(c) Yes.

(d) I would invite the Honourable Member's attention to the reply I have just given to parts (b) and (d) of Maulvi Muhammad Shafee Daoodi's question No. 489.

MUSLIM SUB-ASSISTANT SURGEONS ON THE EAST INDIAN RAILWAY.

505. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that out of 102 Sub-Assistant Surgeons on the East Indian Railway there are only eight Muslims?

(b) If the reply be in the negative, will Government be pleased to state the correct figure?

(c) Is it a fact that on the East Indian Railway, Muslims are not adequately represented in the Sub-Assistant Surgeons' ranks?

Mr. P. R. Rau: (a) and (b). There are 99 Sub-Assistant Surgeons on the East Indian Railway of whom seven are Muslims.

(c) The figures speak for themselves. I should explain, however, that most of the present incumbents were recruited when the East Indian Railway was under Company management. It is expected that the position will alter by the recruitment rules which are now in force.

Mr. M. Maswood Ahmad: Will Government be pleased to state how many Assistant Surgeons have been recruited after this Railway came under State management?

Mr. P. R. Rau: I should like to have notice of that question.

Mr. S. C. Mitra: Is it a fact that a Muhammadan Officer has been the Chief Medical Officer of this line for some considerable time now?

Mr. P. R. Rau: I believe that is a fact.

IMPORT OF RICE.

506. ***Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state the value of the "rice not in the husk" imported into India during the first nine months of the current financial year?

(b) Will Government be pleased to state the value and quantity of rice in other forms and of rice products imported into India during the first nine months of the current financial year?

The Honourable Sir Joseph Bhoré: (a) The Honourable Member is referred to page 47 of the Accounts relating to the Sea-borne Trade and Navigation of British India for December, 1932, a copy of which is in the Library of the Legislature.

(b) Imports of rice in the husk from foreign countries into British India during the first nine months of the year, namely, April to December, 1932, amounted to 10 tons valued at Rs. 655 and those of rice flour one ton valued at Rs. 196.

Mr. M. Maswood Ahmad: Will Government be pleased to state whether in the Schedule to the Ottawa Agreement they have mentioned paddy as well?

The Honourable Sir Joseph Bhoré: I should like to have notice of that question

IMPORT OF RICE.

507. ***Mr. M. Maswood Ahmad:** In connection with the reply to starred question No. 289 on the 8th February, 1933, will Government be pleased to state what quantity of rice and rice products have been imported into India in each month from April, 1932, to December, 1932, and in January, 1933?

The Honourable Sir Joseph Bhoré: I lay on the table a statement containing the information asked for by the Honourable Member.

Statement showing imports of rice and rice products during the months of April, 1932, to January, 1933, inclusive.

	Rice in the husk.	Rice not in the husk.	Rice flour.
	Tons.	Tons.	Tons.
April, 1932	1	505	..
May, 1932	1	8,780	..
June, 1932	1	4,340	..
July, 1932	1	1,243	..
August, 1932	1	1,192	..
September, 1932	1	1,320	..
October, 1932	2	1,252	1
November, 1932	2	3,612	..
December, 1932	..	4,395	..
January, 1933	..	4,572	..

SHORTAGE OF WATER SUPPLY IN OLD DELHI.

508. ***Mr. M. Maswood Ahmad:** (a) Will Government please state whether the scheme referred to in their answer to my starred question No. 1293, dated the 21st November, 1932, regarding shortage of water supply in Old Delhi, has been prepared and considered?

(b) If so, will they please lay a copy of the scheme on the table of the House?

(c) Have Government accepted the scheme *in toto*? If not, what items have not been accepted and what are the reasons for not accepting them?

(d) If the scheme has not yet been prepared or considered, are Government prepared to consider the desirability of its early adoption in view of the approaching hot weather?

Mr. G. S. Bajpai: (a) to (d). Government have approved of the general outlines of a scheme, details of which are being worked out, for the improvement of water supply arrangements in Delhi. The scheme will take two years to complete, but work will be started as soon as possible and every effort made to complete the first stage in order to enable the requirements of the present population to be met during the forthcoming season.

CIVIL HOSPITAL, DELHI.

509. ***Mr. M. Maswood Ahmad:** (a) Are Government aware that the Civil Hospital of Delhi is quite insufficient for the growing needs of a town having a population of more than four lakhs?

(b) Will Government please state:

(i) when this Hospital was built;

(ii) what was the population of Delhi at the time when it was built; and

(iii) what the population of Delhi is at present?

(c) Are Government aware that in the Civil Hospital, Delhi:

(i) there is not a single private family quarter for indoor patients;

(ii) there are only six rooms for paying patients;

(iii) the accommodation in the general ward is very limited;

(iv) there are underground cells for poor patients where the rays of the sun never reach; and

(v) the arrangements for outdoor patients are also very unsatisfactory?

Mr. G. S. Bajpai: (a) Yes.

(b) (i) In 1888.

(ii) About 1½ lakhs.

(iii) About 3½ lakhs.

(c) The Honourable Member's information is correct. I may add that the question of improving hospital arrangements in Delhi has been engaging the attention of Government for some time and only financial stringency stands in the way of making a beginning in this direction.

Mr. N. M. Joshi: With reference to part (c) (iv), may I know whether what is stated there is correct,—that poor patients are kept in underground cells and better places are reserved for paying patients?

Mr. G. S. Bajpai: No, Sir, I do not think that there is any differentiation between rich and poor patients. The position is, there are only six rooms for paying patients and the others take their chance in these lower regions.

Mr. N. M. Joshi: May I ask why preference is given to paying patients and not to poor patients?

Mr. G. S. Bajpai: Obviously for paying patients there is preference, but only in respect of six rooms which I have mentioned.

Mr. N. M. Joshi: May I ask whether these paying patients pay all the charges defrayed on their account by the Hospital?

Mr. G. S. Bajpai: I should have to find out from the Chief Medical Officer what exactly is demanded from the paying patients.

Mr. N. M. Joshi: Will Government kindly make inquiries into this matter?

Mr. G. S. Bajpai: Certainly.

SHAHI IDGAH OF DELHI.

510. ***Shaikh Fazal Haq Piracha:** (a) Are Government aware that most of the Muslims of Delhi and its suburbs offer their *Id* prayers in the *Shahi Idgah* (*Id* mosque) situated on the Ridge and that the number of Muslims using it has of late years largely outgrown the accommodation provided within the four walls of the *Idgah*?

(b) Are Government also aware that as a consequence a large number of the congregation is obliged to say their prayers outside the *Idgah*?

(c) Are Government aware that the adjoining grounds outside the *Idgah* are of uneven character, full of ponds and filth and quite unsuitable for casual occupation necessitated by *Id* prayers?

(d) If so, are Government prepared to consider the desirability of expanding the *Idgah* compound, so that it may accommodate the number of Muslims who offer their prayers there or at least of arranging to have the said adjoining grounds levelled and cleared of filth, so that they may be used without any inconvenience by the Muslims for their *Id* prayer? If not, why not?

Mr. G. S. Bajpai: (a) and (b). Yes.

(c) The ground adjoining the *Idgah* is uneven and pits exist to the south. The eastern side which is used for prayers is rocky, but does not contain pits.

(d) The matter was considered last year by the Local Administration and it was pointed out to the Trustee of the *Idgah* that it was for the community to raise funds for the purpose of levelling the area.

PURCHASES MADE THROUGH THE INDIAN STORES DEPARTMENT BY THE OFFICES OF THE GOVERNMENT OF INDIA.

511. ***Mr. Gaya Prasad Singh:** Will Government kindly furnish a statement showing the names of the different Departments of the Government of India and offices subordinate to them, the percentage of the purchases which they make through the Indian Stores Department, the percentage of purchases made separately, giving the percentages of Indian goods and foreign goods, separately, since the Indian Stores Department came into existence, year by year?

The Honourable Sir Frank Noyce: I regret that I cannot undertake to supply the information asked for year by year since the Department came into existence, as its collection would entail immense labour and trouble out of all proportion to the value of the information supplied. I would, however, invite the attention of the Honourable Member to Appendices V, VI and VII to the Annual Administration Reports of the Indian Stores Department, and would add that all Departments of the Government of India except the Army and Railway Departments purchase all their requirements, except specialised stores, through the Stores Department.

Mr. Gaya Prasad Singh: Sir, is there no record available in the Indian Stores Department showing the purchases made upto date through the Indian Stores Department and the percentage of purchases made independently of this Department?

The Honourable Sir Frank Noyce: I would ask the Honourable Member to refer to the Appendices I have mentioned, and, then, if he wants any further information, I will see what can be done.

Mr. Lalchand Navalrai: May I know whether the Indian Stores Department purchase goods made in India in preference to foreign goods when Indian goods are available in the country?

The Honourable Sir Frank Noyce: Goods available in India are obviously purchased in India.

Mr. Lalchand Navalrai: In preference to foreign goods?

The Honourable Sir Frank Noyce: Yes, Sir; provided quality and price are suitable.

Mr. Lalchand Navalrai: Are any tenders called for? How do they determine the prices?

The Honourable Sir Frank Noyce: Under the rupee tender system. I should be glad to send the Honourable Member a copy of the rules under which stores are purchased which, I think, will satisfy him on these points.

Mr. Lalchand Navalrai: Thank you.

PROPOSED EXTENSION OF AIR SERVICE.

512. ***Mr. Gaya Prasad Singh:** Is there any proposal to extend the air service from Delhi to Calcutta and Rangoon, and from Delhi to Lahore, Rawalpindi and Peshawar? If so, what is the name of the Company which will operate this service; what is its composition and the terms of contract?

The Honourable Sir Frank Noyce: Proposals for the extension of air services in India are under the consideration of Government, but in no case have matters yet reached a stage at which it is possible for me to make any definite statement with regard to the details.

Mr. Gaya Prasad Singh: May I take it that in coming to a decision on this matter, Government will bear in mind the desire expressed in this House that the majority of shareholders should be Indians and that there should be rupee capital?

The Honourable Sir Frank Noyce: I can assure the Honourable Member that in this matter the first object of the Government will be to safeguard Indian interests.

Mr. C. S. Ranga Iyer: Will Government consider the advisability of taking every available step to promote the extension of air service in this country?

The Honourable Sir Frank Noyce: Government are in entire sympathy with the Honourable Member's object.

THEFT COMMITTED IN FORT WILLIAM, CALCUTTA.

513. ***Mr. Gaya Prasad Singh:** (a) Is it a fact that a daring theft was committed in Fort William, Calcutta, recently, when it was discovered that magnetos and carburettors of four armoured cars due to leave Calcutta shortly were stolen thus rendering them useless, by making a hole in the wall of the garage at night, without attracting the attention of any of the sentries on duty near by, and that a secret tunnel had been constructed through which a man could stealthily make an entry, and that this tunnel is reached by crossing the moat that surrounds the Fort?

(b) Is it a fact that on a previous occasion also, the Fort was entered at night by some unknown persons who removed a heavy copper lightning conductor?

(c) Will Government kindly make a statement on the subject and the steps taken in the matter?

Mr. G. R. F. Tottenham: (a) and (c). The armoured car garages in Fort William were broken into on the night of the 24/25th January and certain parts of four armoured cars were stolen. The loss is estimated at Rs. 1,300.

The manner in which the theft was carried out and other attendant circumstances are at present under investigation and every possible precaution has naturally been taken to prevent the recurrence of such thefts.

(b) I have no information regarding this incident.

Mr. Gaya Prasad Singh: May I know if the result of the inquiry will be available to the Members of this House?

Mr. G. R. F. Tottenham: Yes, Sir. If the Honourable Member wishes, I shall lay it on the table.

THIRD CLASS WAITING SHED AT BEAWAR, BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

514. ***Mr. Gaya Prasad Singh:** (a) Are Government aware that Beawar is an important trading centre and station on the Bombay, Baroda and Central India Railway (metre gauge), yielding an average daily return of about Rs. 1,500 both from coaching and goods traffic?

(b) Are Government aware that the present third class waiting shed is quite insufficient, and that the Agent had called for a plan for its extension as appears from his letter dated the 13th April, 1929, addressed to the Secretary, Mahalakshmi Mills Co., Ltd., Beawar?

(c) Is it a fact that there is no separate third class waiting shed for women, and that the Agent had agreed to provide the same, in his letter referred to in part (b) above?

(d) Are Government aware that the water supply for passengers at Beawar is insufficient to cope with the requirements?

(e) Are Government aware that about 150 mill-owners, merchants and other prominent persons of Beawar sent up a representation in September, 1932, to the Senior Government Inspector of Railways, on the above and other points? Do Government propose to take any steps for the removal of the grievances mentioned above?

Mr. P. R. Rau: I have sent a copy of the question to the Agent, Bombay, Baroda and Central India Railway for consideration of the suggestions made. Government have received no complaints till now about the inconveniences referred to.

Mr. Gaya Prasad Singh: Have they not received any representation from the Secretary of the Mahalakshmi Mills, Beawar, detailing the grievances which form the subject matter of my question?

Mr. P. R. Rau: I have not been able to trace any such representation.

Mr. Gaya Prasad Singh: I have myself seen a copy of it.

CONTEMPLATED TRANSFER OF CERTAIN LAHORE CONSPIRACY CASE PRISONERS TO THE ANDAMANS.

515. ***Mr. Gaya Prasad Singh:** (a) Is it a fact that on the 18th January, 1932, Shiv Varma of the Lahore Conspiracy Case and a hunger striker was actually carried in a stretcher to a train with the object of sending him and other prisoners to the Andamans, and that, after a journey of about 36 to 40 hours, was brought back, and lodged in the Berhampur Jail the very next day?

(b) Is it a fact that an Indian Medical Service Officer who examined Kundan Lal, one of the Lahore Conspiracy Case prisoners, reported that he cannot recover even if he is sent to a sanatorium? Has this prisoner been sent to the Andamans? Who are the Lahore Conspiracy Case prisoners who have been or are about to be sent to the Andamans?

1132

LEGISLATIVE ASSEMBLY.

[25TH FEB. 1933.]

The Honourable Sir Harry Haig: (a) I have no information on the point. The prisoner in question has not been removed to the Andamans and is still in the Berhampur jail where he was transferred at the end of December.

(b) I have received no such report. Prisoners transported to the Andamans must be certified by a Medical Board as fit for deportation. Five Lahore Conspiracy Case prisoners have been transferred to the Andamans from jails in the Madras Presidency.

Mr. Gaya Prasad Singh: May I know, whether since the receipt of this question, any inquiry was made into the subject matter of my question?

The Honourable Sir Harry Haig: No, Sir.

Mr. Lalchand Navalrai: May I know from the Honourable Member with regard to part (a) of the question, whether this prisoner was really on hunger strike?

The Honourable Sir Harry Haig: The prisoner is certainly one of those who went on hunger strike.

REMOVAL OF RESTRICTIONS ON CANDIDATES FROM INDIAN STATES APPEARING AT EXAMINATIONS HELD BY THE PUBLIC SERVICE COMMISSION FOR MINISTERIAL SERVICE.

516. ***Mr. Gaya Prasad Singh:** (a) Is it a fact that under section 96-A of the Government of India Act, a subject of an Indian State is required to obtain a declaration by the Secretary of State for India in Council before he can be permitted to appear at a competitive or qualifying examination for, or appointment to, any public service in British India?

(b) Is it a fact that this restriction has recently been removed in the case of candidates from Indian States appearing at the examination held by the Public Service Commission for ministerial service?

(c) If the reply to part (b) be in the affirmative, will Government please state whether the restriction has been removed in the case of any service other than ministerial? If so, which are those services?

The Honourable Sir Harry Haig: (a) If appointments to a particular service are otherwise restricted to British subjects, a subject of a State in India cannot be appointed thereto save by virtue of a declaration under section 96A of the Government of India Act. If appointments to a particular service are not restricted to British subjects, no such declaration is required as a condition precedent to the appointment of a subject of a State in India.

(b) A declaration under section 96A was formerly required in respect of a candidate appearing at the examination held by the Public Service Commission for admission to the ministerial service of the Government of India. The ministerial service of the Government of India is, however, not confined to British subjects and the requirement of a declaration under section 96A was accordingly anomalous and it was not imposed on the occasion of the last examination.

(c) No.

REDUCTION IN DIET ALLOWANCE OF CERTAIN STATE PRISONERS.

517. ***Mr. S. C. Mitra:** (a) Is it a fact that since the reduction in diet allowance, State Prisoners Messrs. Surendra Mohan Ghosh, Jibonlal Chatterjee and Pratul Chandra Ganguli have been forced to do without some of their daily meals?

(b) Is it a fact that they have been living on one meal a day now-a-days?

(c) Are they still in the Trichinopoly Jail or have they been transferred elsewhere?

(d) What is the latest report about their health?

The Honourable Sir Harry Haig: (a) and (b). For a short period a rate higher than the existing rate was allowed under a misapprehension, but the existing rate is the first rate that received due sanction and it has not since been varied. The amount is considered adequate. The Government of India have received no complaints regarding restriction in the number of meals.

(c) The prisoners are still in Trichinopoly.

(d) The latest medical report shows that their health is satisfactory.

STATE OF HEALTH OF STATE PRISONER MR. BENOYENDRA RAI CHOWDHRY.

518. ***Mr. S. C. Mitra:** (a) Is it a fact that State Prisoner Mr. Benoyendra Rai Chowdhry has been ailing for a long time?

(b) Is it a fact that last year he was sent from Rajahmundry Jail to the Madras Jail for medical examination at the General Hospital?

(c) If so, what was the report of the Madras doctors?

(d) Has there been any improvement in his health since he was examined at Madras?

(e) What was his weight on admission, and what is his present weight?

The Honourable Sir Harry Haig: He has been suffering from Neurasthenia for some time, but his medical examination in Madras did not disclose that he had any organic disease and the medical authorities recommended dietetic treatment, and ordinary drugs. As stated in my reply to the Honourable Member's question No. 256 on the 8th February, 1933, the latest report is that his general health is satisfactory and he appears to have improved recently. His weight in November, 1931, was 129 lbs. but for some time he has been maintaining a weight of 119 lbs.

STATE OF HEALTH OF STATE PRISONER MR. PURNA CHANDRA DAS.

519. ***Mr. S. C. Mitra:** (a) Is it a fact that Mr. Purna Chandra Das, a Bengal State prisoner, now confined in the Central Provinces, has been ailing for some time past?

(b) Is he still confined in the Damoh Jail along with Messrs. Bhupati Majumdar, Suresh Chandra Das and Jyotish Chandra Ghosh?

(c) What is the latest health report of all these four State Prisoners now, in the Central Provinces?

(d) Are Government prepared to consider the proposal of transferring them to a cooler place during the next hot weather?

(e) Have Government received any complaints about the treatment they have been getting or about the allowances that have been sanctioned to them? If so, what action have Government taken or propose to take?

(f) What allowances have these four State Prisoners been getting?

The Honourable Sir Harry Haig: (a) No.

(b) Yes.

(c) The latest medical report received shows that they are in good health.

(d) No.

(e) Complaints of a minor nature were made by the prisoners and have been dealt with on their merits.

(f) I would refer the Honourable Member to the statement laid on the table in answer to question No. 163 on the 12th September, 1932.

HEALTH REPORT OF MR. SATINDRA NATH SEN, A BENGAL DETENU.

520. ***Mr. S. C. Mitra:** (a) What is the latest health report of Bengal detenu Mr. Satindra Nath Sen?

(b) Has there been any improvement in his health?

The Honourable Sir Harry Haig: I would refer the Honourable Member to my reply on the 8th February to his question No. 253, which was based on a report received on the 31st January.

DETENUS IN THE DEOLI DETENTION CAMP.

521. ***Mr. S. C. Mitra:** (a) What is the total number of detenus now in the Deoli Camp (or Jail)?

(b) Is it a fact that arrangements are being made to increase the accommodation there?

(c) How many more detenus is it proposed to bring from Bengal, and when?

The Honourable Sir Harry Haig: (a) 97.

(b) Yes.

(c) The enlarged jail will be capable of accommodating 500 detenus in all, including those at present under detention there. I am not able to say when the work will be completed, or when the transfer of additional detenus from Bengal will take place.

STATE OF HEALTH OF CERTAIN STATE PRISONERS CONFINED IN THE MIANWALI JAIL.

522. ***Mr. S. C. Mitra:** (a) Has the attention of Government been drawn to the complaints published in the *Tribune* some time back to the effect that the relatives of State Prisoners Messrs. Manoranjan Gupta, Arun Chandra Guha, Bhupendra Kumar Dutt and Satya Bhusan Gupta were for a long time kept entirely in the dark as to their health and welfare and that enquiries addressed by the relatives to the Superintendent of the Mianwali Jail, where they were confined, were not answered to by that official?

(b) Were any steps taken by the Government of India or by the Punjab Government to redress that grievance?

(c) What is the latest health report of these four State Prisoners?

(d) What allowances have Bengal State Prisoners in the Punjab been getting? Have any complaints been received from them as to the inadequacy of allowances? If so, what action have Government taken or propose to take?

The Honourable Sir Harry Haig: (a) and (b). I have seen the complaints which the Honourable Member mentions. The Government of India also received representations from these State Prisoners in regard to the delay in the transmission of their correspondence. The whole matter was very thoroughly examined and it was found that the complaints were not justified. I understand that in a large measure the inconvenience complained of results from a continued disregard on the part of these State Prisoners of the correspondence rules.

(c) The latest medical report states that their health on the whole is satisfactory.

(d) As regards the first part, I would refer the Honourable Member to the statement laid on the table in answer to question No. 163 on the 12th September last. The answer to the second part is in the negative and the third part does not arise.

Mr. S. C. Mitra: Are Government in a position to tell the House if they can give any idea as to the release of these State Prisoners who have been in jail for four or five years?

The Honourable Sir Harry Haig: I am afraid I am not in a position to make any statement on the subject, but I do not think that any of these prisoners have been under detention for five years.

Mr. S. C. Mitra: Three or four years?

The Honourable Sir Harry Haig: I should doubt it. If the Honourable Member wants precise information, I would ask him to put down another of his somewhat numerous questions.

RESIDENTS OF THE MADRAS PRESIDENCY DETAINED IN PRISON WITHOUT TRIAL FOR POLITICAL REASONS.

523. ***Mr. S. C. Mitra:** (a) Are there any residents of the Madras Presidency who are detained in prison without trial for political reasons? If so, how many are there, and where are they detained?

(b) Is it a fact that two persons are thus detained in Vizagapatam Jail?

(c) If the reply to part (a) be in the affirmative, what are their names and under what law, Regulation or Ordinance have they been detained?

(d) What allowances are being given to them for their maintenance and for the maintenance of their families?

(e) Is it a fact that these allowances are poor when compared with the allowances granted to detenus similarly imprisoned in other provinces, viz., Bengal and the Punjab?

(f) Do Government propose to take steps to increase the allowances to what is granted to other detenus similarly imprisoned in Bengal and the Punjab?

The Honourable Sir Harry Haig: (a), (b) and (c). No residents of the Madras Presidency are detained in jail without trial either under Regulation III of 1818, or the Madras State Prisoners Regulation II of 1819. Such detention may be ordered by the Local Government in exercise of the powers vested in it by certain enactments of local application, viz., the Ganjam and Vizagapatam Act, 1839, and the Moplah Outrages Act, 1859. The latest reports I have received showed that two persons were detained under the former Act and none under the latter.

(d), (e) and (f). These are matters for the determination of the Local Government.

ILLNESS OF STATE PRISONER MR. SARAT CHANDRA BOSE.

524. ***Mr. S. C. Mitra:** (a) Is it a fact that Bengal State Prisoner Mr. Sarat Chandra Bose has been suffering from diabetes (or Glycosuria) since his incarceration?

(b) Is it a fact that in spite of the best efforts made by the Superintendent of the Jubbulpore Jail, there has been no appreciable improvement in his condition?

(c) Is it a fact that since July, 1932, he has been kept quite isolated and separate in that jail?

(d) Is it a fact that he has repeatedly asked to be allowed to have evening motor drives on medical grounds? Was not this request endorsed repeatedly by the Superintendent of the Jail and by the Deputy Commissioner of the Jubbulpore District?

(e) Has not Mr. Sarat Chandra Bose repeatedly complained about this extreme solitude, and has he not asked for a suitable companion for himself? Has not this request been also recommended by the Jail Superintendent and by the Deputy Commissioner of the Jubbulpore District?

(f) Are there not other Bengal State Prisoners in the Central Provinces, and have Government considered the question of their transfer to the Jubbulpore Jail?

(g) Are Government prepared to arrange for a suitable companion for Mr. Bose and permit him to have evening motor drives, as they allowed in the case of Mr. J. M. Sen-Gupta at Jalpaiguri? In the alternative, are Government prepared to remove Mr. Bose to a place where these facilities may not be necessary?

The Honourable Sir Harry Haig: (a) and (b). As stated in my reply to the Honourable Member's question No. 199 on the 13th September, 1932, the State Prisoner has been suffering from glycosuria for a considerable time prior to his incarceration. The latest medical reports show that his condition has not deteriorated and that he is in fairly good health.

(c) I would refer the Honourable Member to the reply given by me to part (a) of his question No. 1617 on the 12th December, 1932. As the Honourable Member is no doubt aware, his brother Mr. Subhas Chandra Bose was temporarily sent to Jubbulpore *en route* to Bombay.

(d) to (g). The request of Mr. Bose for a companion has been recommended by the Deputy Commissioner, Jubbulpore, and this request is still under consideration, as stated by me in the reply given on the 8th of February, 1933, to the Honourable Member's question No. 251. Mr. Bose made a request to be allowed to have motor drives, but it was not found possible to arrange this at Jubbulpore. Instructions were, however, issued to give him proper facilities for evening walks.

With reference to the last part of (g), this question is also under consideration.

Mr. S. C. Mitra: Are Government in a position now to state when 12 Noon. Mr. Sarat Chunder Bose will have an associate or will be transferred to other jails where there are other suitable persons as associates?

The Honourable Sir Harry Haig: I am afraid, Sir, I am not at the moment in a position to make a definite statement about that, but the matter is under active consideration.

UNSTARRED QUESTIONS AND ANSWERS.

RECRUITMENT OF INCOME-TAX INSPECTORS IN THE UNITED PROVINCES.

9. **Rai Bahadur Lala Brij Kishore:** (a) Is it a fact that some Income-tax Officers have been retrenched in the United Provinces even after seven years of service?

(b) Will Government be pleased to state why the post of Income-tax Commissioner could not be given to an Assistant Income-tax Commissioner?

(c) Will Government be pleased to state what special pay is drawn by the present Income-tax Commissioner, United Provinces?

(d) Will Government be pleased to state the total travelling allowance drawn by the present Income-tax Commissioner in 1932?

(e) Are Government aware that many of the retrenched employees of the Audit and Account Offices, United Provinces Government, also applied for the post of Income-tax Inspectors and that most of the retrenched employees of the Audit and Accounts Offices were holding substantive appointments under the Government?

(f) Are Government aware that most of the retrenched employees of the Audit and Accounts Offices, who applied for the post of Income-tax Inspectors, were drawing higher pay than the pay of the posts of Income-tax Inspectors?

The Honourable Sir George Schuster: (a) Yes.

(b) The question is not clear. As the Provinces of Central Provinces and United Provinces were combined for income-tax purposes, there was no question of an appointment of a new Commissioner. The question was one of reduction of the post of one Commissioner.

- (c) No special pay is drawn by the present Commissioner.
- (d) Rs. 3,062 in the financial year 1932-33 up to the end of January, 1933.
- (e) Some of the retrenched employees of the Audit and Accounts Department of the United Provinces applied for the posts of Income-tax Inspectors. It is not true, however, that many of them were holding substantive appointments.
- (f) As most of those who applied have not stated in their applications what pay they were getting prior to retrenchment, it is not possible to say anything definitely. Only two of them have stated their pay and the pay of only one out of these was a little higher than the initial pay for Inspectors.

RECRUITMENT OF INCOME-TAX INSPECTORS IN THE UNITED PROVINCES.

10. **Rai Bahadur Lala Brij Kishore:** (a) Are Government aware that the Governor in Council, United Provinces, had issued several orders to the heads of Departments to offer fresh vacancies to the retrenched men of the Audit and Accounts Offices?
- (b) Are Government aware that in utter disregard of the orders issued by the Governor in Council, the Income-tax Commissioner, United Provinces, recruited eleven Income-tax Inspectors from non-Government servants?
- (c) Are Government aware that the Auditor General and Accountant General had also written to the Income-tax Commissioner to offer fresh vacancies to the retrenched men of the Audit and Accounts Offices?
- (d) Are Government aware that most of the retrenched men of the Audit and Accounts Offices who had applied for the posts of Income-tax Inspectors had rendered four to six years service to Government?
- (e) Are Government aware that most of these men had as high academic qualifications as the men recruited?
- (f) Will Government be pleased to state the reasons for which the Income-tax Commissioner gave preference to non-Government candidates over the retrenched Government servants with more experience at their credit?
- (g) Will Government be pleased to state on what authority the Income-tax Commissioner overlooked the claims of retrenched men?
- (h) Is it a fact that the Income-tax Commissioner did not call any Selection Committee at the time of the appointment of the Income-tax Inspectors?

The Honourable Sir George Schuster: (a) Yes.

- (b) It is not correct to say that the Commissioner of Income-tax made appointments of Inspectors in utter disregard of the orders issued as the claims of the retrenched men were duly considered.
- (c) There was correspondence between the Accountant General, the Accounts Office, Central Public Works Department and the Commissioner as regards these retrenched men.
- (d) The retrenched men had served four to six years in temporary posts.
- (e) Government are aware that some of them had University qualifications.

- (f) The Income-tax Commissioner appointed men best suited for the work for which they were recruited with due regard to claims of various communities and retrenched men.
- (g) The Commissioner of Income-tax did not overlook their claims. He gave due weight to them, but found these men not suitable for the posts to be filled up.
- (h) There are no orders which require the Commissioner of Income-tax to call selection committees to fill such posts.

RECRUITMENT OF INCOME-TAX INSPECTORS IN THE UNITED PROVINCES.

11. **Rai Bahadur Lala Brij Kishore:** (a) Are Government aware that the Income-tax Commissioner, Bengal, gave preference to the retrenched employees of the Audit and Accounts Offices, United Provinces Government, over men of his own province?
- (b) Will Government be pleased to state why the Income-tax Commissioner, United Provinces, could not follow the example set up by the Income-tax Commissioner, Bengal?
- (c) Will Government be pleased to make a statement whether every further vacancy of Income-tax Inspector will be offered to a deserving retrenched employee of the Audit and Accounts Offices, till the list of retrenched men is completely exhausted?
- (d) Are Government aware that the Income-tax Inspectors recently recruited by the present Income-tax Commissioner hold purely temporary appointments?
- (e) Do Government propose to replace the present Income-tax Inspectors who hold exclusively temporary appointments by the retrenched men of the Audit and Accounts Offices?
- (f) Will Government be pleased to state whether they propose to take up the question of the retrenchment of those who have completed 25 years of service or attained 55 years of age with a view to helping the retrenched men?

The Honourable Sir George Schuster: (a) It is not correct that the Commissioner of Income-tax, Bengal, gave preference to the retrenched employees of the Audit and Accounts Offices over men of his own province.

(b) Does not arise.

(c) Government cannot make any such statement. All that they can say is that claims of the retrenched employees will be duly considered as hitherto in filling vacancies amongst Inspectors.

(d) The Inspectors recently appointed do not hold temporary appointments. The appointments are permanent and the Inspectors have been appointed to officiate therein.

(e) and (f). The reply is in the negative.

ASSESSMENT OF INCOME-TAX AND SUPER-TAX IN THE UNITED PROVINCES.

12. **Rai Bahadur Lala Brij Kishore:** Will Government kindly state:

- (a) how much income-tax and super-tax was assessed in the United Provinces in 1930-31; and
- (b) how much under each of the above two heads was assessed communitywise, viz., Hindus, Sikhs and Muhammadans?

The Honourable Sir George Schuster: (a) Income-tax Rs. 68,49,188. Super-tax Rs. 18,23,482.

(b) The required information cannot be supplied as payments of tax are not classified according to the community to which a tax-payer may belong.

BERAR REPRESENTATIVE IN THE LEGISLATIVE ASSEMBLY.

13. **Mr. M. Maswood Ahmad:** Is it a fact that a Member for the Legislative Assembly is elected in Berar and then is nominated as "Berar Representative"? If the answer be in the affirmative, will Government kindly state the reasons for this peculiar procedure?

The Honourable Sir Harry Haig: The Honourable Member is referred to the reply given by Sir Malcolm Hailey in this House to Mr. Gaya Prasad Singh's starred question No. 541 on the 1st March, 1924.

†14.

SCHOOLS FOR THE CHILDREN OF INDIAN AND EUROPEAN EMPLOYEES OF THE EAST INDIAN RAILWAY.

15. **Mr. M. Maswood Ahmad:** (a) How many children are there under the charge of the Headmistress, Girls School, attached to the Oakgrove School?

(b) How many children are there under the Headmistress, Junior School, attached to the Oakgrove School?

(c) What is the standard up to which the Junior School of the Oakgrove School teaches? Is it higher than the Indian High Schools run by the East Indian Railway?

(d) Do Government regard this Junior School superior to the Indian High Schools? If so, in what respects is it superior?

(e) How many children are there in each of the five Indian High Schools run by the East Indian Railway?

(f) Are the assistant teachers in a so-called residential school superior to the Headmasters of Indian High Schools who hold independent charge of their respective schools?

(g) If Government regard a junior residential school superior to High Schools, can they refer to any educational code to justify their attitude?

(h) Is it a fact that three out of the five Indian High Schools are also residential?

(i) Are the Headmasters, holding independent charge of Indian High Schools, inferior to the assistants in the Oakgrove School in the matter of scale of pay and status?

(j) If the answer to part (i) be in the negative, why do Government allow first class passes to these assistants and only second class passes to the Headmasters of Indian High Schools?

Mr. P. R. Rau: (a) 106 }
(b) 175 } on roll in December, 1932.

(c) 3rd Standard. No.

† Question No. 14 has been cancelled.

(d), (f), (g) and (i). Circumstances are so different that no genuine comparison is possible.

(e) Asansol 462; Sahibganj 255; Jamalpur 300; Dinapore 354; Tundla 306 on roll in December, 1932.

(h) No. But there are hostels attached.

(j) The Honourable Member is referred to the reply to part (b) of Mr. Gaya Prasad Singh's question No. 144 given on 6th February, 1933.

SUPPLY OF "KHADI" TO THE INDIAN RELIEF AGENCIES FOR CLOTHING INDIAN DESTITUTES.

16. **Mr. M. Maswood Ahmad:** (a) Are Government aware that the United States of America Congress has approved a Bill and has sent it to Mr. Hoover with the recommendation to supply to the Red Cross and other relief agencies 350,000 bales of Farm Board cotton for clothing the destitutes?

(b) Do Government propose to take similar action for the supply of Khadi for clothing Indian destitutes to the Indian relief agencies?

Mr. G. S. Bajpai: (a) Government have no information.

(b) Relief of destitutes is primarily the concern of Local Governments.

MEMORIAL SUBMITTED BY THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI, IN CONNECTION WITH HOUSE RENT AND WATER TAX.

17. **Mr. M. Maswood Ahmad:** Will Government be pleased to state whether the employees of the Government of India Press, New Delhi, submitted a memorial to the Department of Industries and Labour in the month of July, 1932, regarding their grievances in connection with the ten per cent. house rent and water tax? If so, what action have Government taken on the memorial?

The Honourable Sir Frank Noyce: Yes. The matter is under consideration.

DENIAL OF THE BENEFIT OF PENSION RULES TO THE SUPERIOR EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

18. **Mr. M. Maswood Ahmad:** Will Government be pleased to state whether it is a fact that inferior and superior employees of the Government of India Press, New Delhi, recruited before 1920, are entitled to Pension and Contributory Provident Fund, respectively? If so, why superior employees have been ignored from the benefit of Pension Rules?

The Honourable Sir Frank Noyce: No: no distinction is made between inferior and superior employees recruited before 15th July, 1920, in this respect. But of those recruited after that date only superior servants are admitted to the contributory provident fund, because it was found administratively inconvenient to include inferior servants.

LOWER GRADE CLERKS AND COMPUTERS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

19. **Mr. M. Maswood Ahmad:** Will Government be pleased to furnish the information in the following statement in respect of permanent lower

grade clerks and computers employed in the Government of India Press, New Delhi? :

Name.	Date of Appointment.	Qualifications.

The Honourable Sir Frank Noyce: The information is given in the statement below.

Statement showing date of appointment and educational qualifications of permanent lower grade clerks and computers employed in the Government of India Press, New Delhi.

Name.	Date of appointment.	Date of appointment to permanent establishment.	Educational qualifications.
Surendra Nath Banerjee	19th Aug. 1913	1st Sep. 1917	Read up to Entrance class.
Munawar Ali	22nd May 1919	8th Aug. 1919	Read up to Matriculation standard.
T. C. Das	1st Sep. 1924	5th Jan. 1925	School Leaving Certificate.
Braham Dutta Sharma	20th April 1925	20th April 1925	Do.
Brijmohan Lal	21st Dec. 1920	1st June 1925	Read up to Matriculation standard.
Mohammad Yaqub	1st June 1925	4th Oct. 1928	Matriculation.
Benarsi Das	22nd Sep. 1926	Do.	Do.
Madan Mohan Lal	17th Jan. 1927	Do.	Do.
Hidayat Ullah	11th Sep. 1925	Do.	School leaving certificate.
Bakhat Bahadur Srivastava	15th June 1927	Do.	Commercial Diploma.
Mohammad Zafar	12th Jan. 1925	Do.	School Leaving Certificate.
R. Massey	2nd Dec. 1920	Do.	Read up to Matriculation standard.
Narendra Prasad	12th April, 1926	Do.	Do.
Abinash Ch. Bose	15th Jan. 1925	Do.	Matriculation.
Imtiyaz Ali	26th April, 1920	Do.	Read up to VIII class.
Mohan Singh	6th Nov. 1928	15th April, 1929	Matriculation.
Raghunandan Lal	15th Nov. 1928	18th June, 1931	School Leaving Certificate.
Gokal Chand	22nd Sep. 1916	1st Nov. 1931	Read up to IX class.

APPOINTMENT OF MUSLIM CLERKS IN THE GOVERNMENT OF INDIA PRESS NEW DELHI.

20. Mr. M. Maswood Ahmad: Will Government be pleased to state whether certain proposals were submitted by the Manager of the Government of India Press, New Delhi, to increase the strength of the clerical staff both in the upper and lower grades? If so, what steps do Government propose to take to make up the deficiency of Muslims in both these grades?

The Honourable Sir Frank Noyce: Yes, in 1929. But the proposal was held in abeyance by the Controller of Printing and Stationery owing to the pressing need for keeping down expenditure. Fresh recruitment

of clerks in the Press, if any, will be made in accordance with the policy of Government regarding communal representation; but promotions from one grade to another are not made on communal grounds.

POOR REPRESENTATION OF MUSLIMS IN THE SUBORDINATE RANKS OF THE FOREST RESEARCH INSTITUTE AND COLLEGE, DEHRA DUN.

21. Mr. M. Maswood Ahmad: (a) Is it a fact that, leaving aside the gazetted and research staff, Muslim representation even in the subordinate ranks (technical as well as clerical) of the Forest Research Institute and College, Dehra Dun, has hitherto been extremely poor probably not more than five or six per cent.?

(b) Is it also a fact that a number of the non-Muslims among this staff are not even matriculates? Are they prepared to adopt some special measures in the matter besides the existing rule of filling every third vacancy by a member of the minority community, such as the temporary suspension of recruitment and confirmation of the non-Muslims till the Muslim representation becomes a little more equitable?

Mr. G. S. Bajpai: (a) The number of Muslims in the subordinate technical and clerical staff of the Forest Research Institute, Dehra Dun, is about nine per cent.

(b) Yes, there are a few who are not Matriculates, but the majority of the posts held by them are technical in which technical skill is more important than literary qualifications. Government's existing orders regarding the appointment of members of minority communities are quite adequate in their opinion.

POOR REPRESENTATION OF MUSLIMS IN THE SUBORDINATE RANKS OF THE FOREST RESEARCH INSTITUTE AND COLLEGE, DEHRA DUN.

22. Mr. M. Maswood Ahmad: (a) What is the number of vacancies that occurred in the temporary as well as the permanent clerical and technical staff of the Forest Research Institute, Dehra Dun, during the last six years and by whom were they filled? Is it a fact that inspite of the undue preponderance of the majority community, Government of India orders to fill every third vacancy from a minority community have not been observed in filling these vacancies? Is it also a fact that even unqualified non-Muslims have been appointed by the Forest Economist to some of the clerical posts when qualified Muslims were available? If so, why? Are any efforts made to fill such posts by Muslims? If so, what measures are adopted?

(b) How many Muslims and non-Muslims were retrenched recently and what proportion did they bear to their respective strength on the staff?

Mr. G. S. Bajpai: The Honourable Member is referred to the reply given by the Honourable Sir Fazl-i-Husain to parts (c) to (e) of question No. 227 asked in the Council of State on the 19th December, 1932.

FACILITY GIVEN TO SICK CANDIDATES FOR THE DEGREE EXAMINATIONS OF THE DELHI UNIVERSITY.

23. Bhagat Chandi Mal Gola: (a) Will Government be pleased to state if any candidates for the degree examinations of the Delhi University have been given the facility of answering question papers at their own residence on the plea of illness in the course of the last five years?

1144

LEGISLATIVE ASSEMBLY.

[25TH FEB. 1933.]

(b) If so, will Government please lay on the table a statement showing the names of candidates, their parents and the examinations they appeared at?

(c) If the reply to part (a) be in the affirmative, will Government please quote the rules and regulations under which such facilities were provided?

Mr. G. S. Bajpai: (a) Yes.

(b) It is not possible to furnish the details asked for by the Honourable Member, as the University records relating to the arrangements for the conduct of examinations are not preserved beyond a period of three months after the publication of results. The number of cases, in which this facility has been provided, has, however, been extremely limited, being not more than five during the last five years.

(c) Arrangements for this facility are made on the recommendation of the Principal of the College concerned, in exceptionally hard cases of illness, by the Registrar of the Delhi University and the Superintendent of Examinations jointly, with the approval of the Vice-Chancellor, under Rule (3) of the Rules defining the powers and duties of the Registrar, and under Regulation (1) regarding Directions to Superintendents of Examinations.

RELEASE OF MAHATMA GANDHI.

24. **Mr. C. S. Ranga Iyer:** (a) Has the attention of Government been drawn to a press telegram from Poona published in the *Statesman* of February 8th, 1933, under the heading "Written word to stand" "Mr. Gandhi's Reply", in which Mahatmaji has not accepted the Home Member's interpretation of his statement of January 14th, nor that of the Bombay Congress Bulletin?

(b) Are Government aware:

- (i) that Mahatma Gandhi has no politics inside the prison and that his principle is that a prisoner must leave his politics at the Jail gate;
- (ii) that Mahatma Gandhi avoided answering the question regarding civil disobedience under his code as a model prisoner; and
- (iii) that his concentration on the removal of untouchability has resulted in the bulk of his followers in the country doing likewise?

(c) Will Government be pleased to state:

- (i) whether it is not a fact that the number of civil disobedience prisoners has dwindled;
- (ii) the number of civil disobedience prisoners in jail in every province of India last year and this year;
- (iii) if the answer to part (a) be in the affirmative why Government do not release the Mahatma and his supporters in jail?

The Honourable Sir Harry Haig: (a) I have seen the press message referred to.

(b) and (c) (iii), I would refer the Honourable Member to the replies given by me on the 6th February, 1933, to his starred question No. 220 and to the supplementary questions in connection therewith regarding the release of Mr. Gandhi and other civil disobedience prisoners. I have nothing to add to what I said there.

(c) (i). Yes.

(ii) I lay a statement on the table, giving the required information.

STATEMENT.

Total number of convicted persons (under ordinary law and Ordinances) undergoing imprisonment for offences connected with the Civil Disobedience Movement at the end of—

Province.	January, 1932.	February, 1932.	March, 1932.	April, 1932.	May, 1932.	June, 1932.	July, 1932.	August, 1932.	September, 1932.	October, 1932.	November, 1932.	December, 1932.	January, 1933.
Madras	849	1,244	1,650	1,784	1,970	2,027	1,774	1,663	1,603	1,492	1,415	1,165	1,051
Bombay	1,894	4,278	5,546	6,012	6,943	7,154	6,447	5,609	5,104	4,661	4,376	3,937	3,522
Bengal	883	5,156	5,555	5,398	4,835	4,544	3,693	2,694	2,604	2,442	2,300	1,933	1,794
United Provinces	3,254	5,856	6,270	6,582	6,150	5,863	4,953	4,237	3,887	3,610	3,373	3,016	2,848
Punjab	179	574	931	990	1,023	1,006	895	747	635	541	460	358	300
Burma	..	..	..	..	..	..	..	..	..	..	..	..	..
Bihar and Orissa	2,351	4,041	4,469	4,280	3,261	2,670	2,542	2,527	2,452	2,266	2,206	1,781	2,035
Central Provinces	347	1,071	1,537	1,723	1,720	1,605	1,166	858	715	524	408	311	214
Assam	34	331	625	681	725	747	722	636	533	457	384	357	199
North-West Frontier Province	2,086	4,255	4,063	3,646	3,864	3,313	1,988	1,922	1,912	1,967	1,950	1,793	1,660
Delhi	114	323	392	433	420	386	384	383	282	163	154	145	120
Coorg	125	183	185	187	130	122	67	54	55	66	69	80	99
Ajmer-Merwara	66	100	122	142	156	150	101	92	76	64	60	43	36
Total	12,182	27,412	31,345	32,458	31,197	29,587	24,732	21,422	19,858	18,253	17,165	*14,919	13,788

* As corrected up to 23rd February, 1933.

ABSENCE OF RAILINGS IN OUTER CORRIDORS OF "D" TYPE QUARTERS IN
NEW DELHI AND PROTECTION OF LAWNS.

25. **Mr. S. C. Mitra:** (a) Is it a fact that the outer corridors in "D" type orthodox clerks quarters in New Delhi have got no railings? Are Government aware that the small children of the occupants of "D" type quarters step outside the corridor to the common path way, which is used as a public road by motors and *tongas*? Are Government aware that the small children of the inmates of these houses are under the risk of being run over every moment?

(b) Are Government aware that by allowing the vehicular traffic inside the squares the green lawns attached to the squares are spoilt? Is it a fact that large sums of money are spent for the maintenance of such lawns in the squares and, if so, will Government please state why measures are not taken for protecting these houses?

The Honourable Sir Frank Noyce: (a) The verandahs of these quarters have got no railings, but I would point out to the Honourable Member that the verandahs do not abut on to the roads. The risk of children being run over arises from their playing on the roads, and there is no greater risk than occurs in other places from this practice.

(b) I am unable to understand why traffic on the roads inside the squares should spoil the green lawns. There is no need for traffic to leave the roads and go on to the lawns, and I am informed that it does not do so. The usual amount allotted for maintenance is spent on the lawns and necessary steps are taken for their preservation.

CONFIRMATION OF JUNIOR CLERKS IN THE ACCOUNTS DEPARTMENT OF THE
EAST INDIAN RAILWAY.

26. **Mr. Bhuput Sing:** Will Government be pleased to state:

- (a) whether it is a fact that recently some of the junior clerks in the Accounts Department of the East Indian Railway have been confirmed in supersession of some senior clerks;
- (b) if the answer be in the affirmative, what is the number of such confirmed clerks; and why such differential treatment has been meted out?

Mr. P. R. Rau: (a) Yes.

(b) 29 clerks who were recruited after competitive examination in 1929-30 were confirmed in virtue of the conditions of their recruitment.

VACANCIES IN THE DIFFERENT GRADES OF THE ACCOUNTS DEPARTMENT OF
THE EAST INDIAN RAILWAY.

27. **Mr. Bhuput Sing:** Will Government be pleased to state:

- (a) the number of vacancies in the different grades of the Accounts Department of the East Indian Railway;
- (b) the number of temporary clerks in the different grades of the Accounts Department, East Indian Railway, their qualifications regarding the departmental examination and the number of years of their service; and
- (c) what do they propose to do with them?

Mr. P. R. Rau: (a) Sub-heads 7, Clerks Class I, 27, Clerks Class II, 23 and Clerks Class III, 59, total 116.

(b) The number of temporary clerks in the different grades is sub-heads 7, Clerks Class I, 12, Clerks Class II, 2 and Clerks Class III, 166, total 187.

1 sub-head and 3 clerks Class III have passed part I of the Subordinate Railway Accounts Service examination, 2 sub-heads have passed Part II of the same examination and 1 sub-head and 1 Clerk Class III have passed the appendix D examination. Out of the remaining clerks only 13 have passed the Appendix C examination prescribed for the Railway Accounts Department. The length of service of these men is 3 over 8 years, 14 over 7 years, 29 over 6 years, 24 over 5 years, 48 over 4 years, 10 over 3 years, 14 over 2 years and 45 about 1 year.

(c) It is proposed to confirm them as early as possible.

VACANCIES IN THE CLERICAL GRADES IN THE OFFICE OF THE CHIEF ACCOUNTS
OFFICER, EAST INDIAN RAILWAY.

28. **Mr. Bhuput Sing:** Will Government be pleased to state whether it is a fact that since 1929 no confirmation in the clerical grades has been made by the Chief Accounts Officer, East Indian Railway? If so, what is the reason for this and why have these vacancies not been filled?

Mr. P. R. Rau: For a reply to the first part of the question, a reference is invited to the answer to question No. 26. The question of confirmation was deferred pending the preparation of a proper seniority list, which is now reported to be almost complete.

OCCUPATION OF SCHOOL, COLLEGE AND LIBRARY BUILDINGS BY MILITARY
BATTALIONS IN BENGAL.

29. **Mr. Bhuput Sing:** Will Government be pleased to state:

- (a) whether it is a fact that the school, college and library buildings were occupied by the battalions sent to the different parts of Bengal;
- (b) if so, the names of such places; and
- (c) whether they are aware that such practice causes great inconvenience to the public, and whether they propose to instruct the Local Government to have such educational places vacated at once?

Mr. G. R. F. Tottenham: I have called for the information and will lay a reply on the table in due course.

INTRODUCTION OF NEW SCALES OF PAY FOR POSTS AND TELEGRAPHS
DEPARTMENT.

30. **Pandit Satyendra Nath Sen:** (a) With reference to starred question No. 211 of Mr. S. C. Mitra answered on the 13th September, 1932 (regarding introduction of new scales of pay for Posts and Telegraphs Department), will Government please state what decision has been arrived at by now?

(b) Is it a fact that the existing employees of the Posts and Telegraphs Department will be transferred to the new scales of pay when promoted to higher ranks?

Sir Thomas Ryan: (a) and (b). No decision has yet been reached on the subject.

RECOMMENDATIONS OF THE POSTS AND TELEGRAPHS RETRENCHMENT SUB-COMMITTEE.

31. **Pandit Satyendra Nath Sen:** (a) With reference to starred question No. 298 of Mr. Goswami M. R. Puri answered on the 16th September, 1932 (regarding recommendation of the Posts and Telegraphs Retrenchment Sub-Committee), will Government be pleased to state what are the definite orders, if any, issued on the subject?

(b) If not, why not?

Sir Thomas Ryan: In accordance with the recommendations in paragraph 202 of the Sub-Committee's report orders have been issued to the effect that the principle of selection from the best officers of the Department, seniority being regarded only when other qualifications are practically equal, should be followed in filling all superior posts in the Posts and Telegraphs Department. The recommendations contained in paragraph 164 (b) of the above Report are still under examination.

COMBINATION SCHEME OF PROVIDENT FUND AND PENSION FOR GOVERNMENT SERVANTS.

32. **Pandit Satyendra Nath Sen:** (a) With reference to starred question No. 363 of Mr. Bhuput Sing answered on the 16th September, 1932 (regarding a scheme for substituting a Contributory Provident Fund or other benefits of a corresponding kind for the existing pensionary system), will Government be pleased to state whether replies from Provincial Governments have been received by now? If so, will Government be pleased to state if they have come to any conclusion?

(b) If not, will Government be pleased to state the reasons for the abnormal delay in deciding the question pending since 1924?

The Honourable Sir George Schuster: (a) Yes. A summary of the facts and Government's decision on the subject is laid on the table.

(b) Does not arise.

RESUME.

SUBJECT:—Statement relating to the schemes for the substitution, partial or entire, of a provident fund or other corresponding benefits, for pensionary benefits.

A problem which has engaged the attention of Government for some years has been that of affording, by official arrangement, some means whereby provision might be made for the dependents of pensionable Government servants who die before they are due for pension. When the contingent pensionary right is thus extinguished, the dependents may be left in indigence, and it was felt that it should be the object of public policy to avoid or mitigate this result.

2. A certain amount of the ground has, of course, been covered, as provision for the families of members of the Indian Civil Service, of European members of other Superior Services, and members of certain miscellaneous services has been made through the medium of family pension schemes or special provident funds. A prominent feature of such schemes is that in the main they do not impose any charges upon public funds over and above the

charge which would be involved by the payment of pensions under the normal pensionary system. It was clearly recognised that any new scheme designed to secure provision for the families of other Government servants must likewise not increase the burden on public revenues.

3. Investigation shewed that it would be quite impracticable to institute for Government servants for whom no such scheme exists a family pension scheme on the lines of those to which Europeans subscribe, primarily, because of differences of social customs and the absence of adequate vital statistics.

Other alternatives were carefully considered, and finally the choice was narrowed down to the three alternative schemes summarised below:—

Scheme A would provide for the surrender of one-third of prospective pension in return for the guarantee of a lump sum payment equal at most to twelve months' pay on retirement or death in service.

Scheme B would provide for the surrender of the entire prospective pension in exchange for the guarantee of a lump sum payment on death or retirement.

In both cases the lump sum would be so calculated that the employee or his family would receive the full equivalent value of the average cost to Government of the pension surrendered without any increased burden being thrown on public funds.

Scheme C would provide for the entire abolition of pensions and the substitution of a contributory provident fund.

It was realised that terms as liberal as those enjoyed by subscribers to the State Railway Provident Fund, who, in addition to the periodical contribution paid by Government under the Fund Rules, receive a generous gratuity, could not be granted as this would involve a material increase of expenditure.

4. In 1929 those three schemes were laid before local Governments and Associations of Government servants, with a view to eliciting opinions.

Local Governments generally were of the opinion that there seemed to be little likelihood of any scheme proving acceptable which did not involve increased expenditure, and expressed the view that they could not contemplate the prospect of increased expenditure with equanimity.

Of 95 Associations which expressed views on the subject only 6 and 5 respectively were in favour of schemes A and B, subject in most cases to the terms being liberalised, 67 expressed a preference for scheme C, subject in 47 cases to the grant of terms equivalent to those for which the State Railway Provident Fund Rules provide, and the balance preferred the existing pension system.

It was abundantly clear that none of the three schemes was acceptable to Government servants in the form put forward, and equally clear that no scheme was likely to be welcomed unless its provisions were so liberal that they must inevitably cost Government a good deal more than the pension system.

5. As the majority of Associations had expressed a preference for a contributory provident fund, Government proceeded to examine in detail the question of instituting such a fund in place of the existing pension system.

When the question was considered at a Conference of Provincial Representatives held in May, 1931, however, the conclusion was reached that this particular scheme would have to be abandoned. The main reasons for this decision, apart from objections on the score of expense, were that it would be most difficult to devise a method of transfer for men already in pensionable service, and that a scheme which includes an element of pension is definitely preferable on administrative grounds as it secures greater stability and continuity in the services.

It was further agreed at the Conference that the better of the two remaining schemes was scheme "A", which would involve the surrender of about one-third of prospective pension in return for a lump sum payment on retirement or earlier death. The chief reasons which led to this conclusion were the simplicity of the scheme, its ease of application to existing members of the services, and its similarity to a system which had operated satisfactorily in England since 1909.

6. Very few Associations of Government servants when consulted had expressed a favourable opinion of scheme "A", and Government concluded that if it was to be adopted it would be necessary to make its terms more attractive, to the extent at any rate that the portion of prospective pension to be surrendered should be reduced from one-third to one-quarter. Doubts were felt whether, even with this improvement in its terms, there was

any real prospect of a revulsion of feeling in favour of this scheme; and it was of course realised that the adoption of the revised scheme would result in a material increase in expenditure.

The suggested liberalisation of the terms of scheme "A" rendered it necessary to consult Provincial Governments again. This was done, and it was found that these Governments shared in full the doubts felt by the Government of India. None of the Provincial Governments was favourably disposed to the scheme, mainly on the grounds that it would not be popular with the services and that in the present financial condition of the country it would be most unwise to incur the extra liability involved.

7. Thus the ultimate position is that, after a most careful investigation extending over a considerable period, it has been found to be quite impracticable to devise any scheme acceptable to the services which would not involve additional expenditure unjustifiable in the face of existing financial conditions; and the Government of India have been obliged to accept the conclusion that the existing pension system must remain in force.

RECRUITMENT OF GRADUATES AND INTERMEDIATES ON SPECIAL INITIAL RATES OF PAY IN THE POSTS AND TELEGRAPHS DEPARTMENT.

33. **Pandit Satyendra Nath Sen:** (a) Is it a fact that the Government of India decided in September, 1930, that the practice of recruiting graduates and intermediates on special initial rates of pay should continue in the Posts and Telegraph Department and that the concession should be extended to all branches of the Department?

(b) Is it a fact that the Director General issued orders discontinuing such concessions in the first week of May, 1932, pending orders from the Governor General in Council?

(c) Is it a fact that though concessions are still allowed in other branches, it is denied to the Telegraph branch?

(d) If the reply to part (b) be in the affirmative, will Government state the reasons for the withdrawal and whether the Director-General has power to issue such orders under circumstances mentioned above?

Sir Thomas Ryan: (a) No. The decision of Government referred to was given in December, 1929, subject to the fixation by the Director-General of limits to the numbers of graduate and intermediate recruits to be granted the higher initial pay. The orders were reproduced in the Director-General's general circular No. 20, dated the 29th September, 1930.

(b) No; but orders were issued by the Director-General in December, 1930, stopping the recruitment of graduates and intermediates at special initial rates of pay pending a decision as to the number that should be so recruited. Final orders of the Director-General fixing the numbers of graduates and intermediates recruited during the years 1929-30 and 1930-31 to whom the concession should be allowed and announcing the final withdrawal of the concession in respect of later recruits were issued in May, 1932.

(c) No. The concession has been stopped for all branches of the Posts and Telegraphs Department.

(d) Government, after a review of the position, did not consider it necessary to grant a starting pay higher than the minimum to graduates and intermediates. The discontinuance of the practice was also recommended by the Posts and Telegraphs Sub-Committee of the Retrenchment Advisory Committee. The orders issued by the Director-General to which I have referred in reply to part (b) received the approval of Government.

REPORT OF THE TELEGRAPH ESTABLISHMENT ENQUIRY COMMITTEE.

34. **Pandit Satyendra Nath Sen:** (a) Will Government please state if the Report of the Telegraph Establishment Enquiry Committee has been published? If not, when is it likely to be published?

(b) Will Government please state the cost of the Committee?

(c) Is it a fact that the proceedings of the Committee were open to the public and the Press? If so, will Government please state whether any public body or individual gave any evidence? If so, who are they?

Sir Thomas Ryan: (a) No. Government do not propose to publish the report which is purely departmental in character.

(b) Rs. 32,000 approximately.

(c) The attention of the Honourable Member is invited to the press communiqués, dated the 24th and 27th October, 1932. The evidence of the Telegraph Service Associations and of Departmental officials only was taken. The last part does not arise.

REPORT OF THE TELEGRAPH ESTABLISHMENT ENQUIRY COMMITTEE.

35. **Pandit Satyendra Nath Sen:** (a) Will Government be pleased to state whether the report of the Telegraph Establishment Enquiry Committee would be available to the public on payment? If not, why not?

(b) Will it be available to the employees of the Posts and Telegraphs Department? If not, why not?

Sir Thomas Ryan: (a) No. The Report is purely departmental in character.

(b) It may not be possible for Government to supply copies of the Report to individual employees, but they will certainly be supplied to recognised departmental Associations of the staff interested in the Report.

APPOINTMENT OF MR. BUTCHER AS A MEMBER AND SECRETARY OF THE TELEGRAPH ESTABLISHMENT ENQUIRY COMMITTEE.

36. **Pandit Satyendra Nath Sen:** (a) Is it a fact that Mr. Butcher, a member and Secretary of the Telegraph Establishment Enquiry Committee is a retrenched officer from the Directorate?

(b) Is it a fact that he has been recalled from leave to serve in the Committee?

(c) Will Government be pleased to state if there was no other capable officer in service in the Posts and Telegraphs Department who could occupy Mr. Butcher's place?

(d) Will Government be pleased to state the amount of the special pay and allowances granted to this officer in addition to his own legitimate salary?

Sir Thomas Ryan: (a) Yes.

(b) No. The officer served with the Committee only as a temporary measure without cancelling his leave.

(c) Yes, but as Mr. Butcher was an experienced officer of the Telegraph Traffic Branch whose services were more conveniently available he was considered as most suitable for the temporary duty.

(d) He was given a fixed pay of Rs. 1,000 per mensem for the period he held his temporary post with the Committee in addition to his leave salary, subject to the usual emergency cut.

TELEGRAPH ESTABLISHMENT ENQUIRY COMMITTEE.

37. **Pandit Satyendra Nath Sen:** (a) Is it a fact that the Telegraph Establishment Enquiry Committee has been appointed to reorganise the Telegraph establishment?

(b) Is it a fact that retrenchments in personnel and status of Telegraph Offices have been carried on by the Director General while the Committee was investigating and had not submitted its report?

(c) If so, are Government prepared to reconsider their decisions in the light of the recommendations of the Committee when published? If not, why not?

Sir Thomas Ryan: (a) No; the Committee was an advisory one only and was concerned only with certain matters relating to the telegraph traffic service.

(b) Yes, the retrenchment campaign started before the appointment of the Committee and is independent of any recommendation that the Committee may make.

(c) Does not arise.

SELECTION OF TELEGRAPHISTS FOR TRAINING IN HIGHER BAUDOT TECHNIQUE SUBJECTS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

38. **Pandit Satyendra Nath Sen:** (a) Is it a fact that the selection of telegraphists for training in higher Baudot Technique subjects in the Posts and Telegraphs Department is made at present according to local or circle requirements?

(b) Is it a fact that the training in the higher Baudot Technique subjects was primarily intended for Telegraphists qualified in departmental examination, and as the qualified men were insufficient to meet the requirements, ordinary Baudot operators were recruited for the training in accordance with the Director General's Circular in 1926?

(c) If the answer to part (b) be in the affirmative, will Government please state if all the qualified men have been imparted the training and that also according to their dates of passing? If not, why not?

Sir Thomas Ryan: (a) No, it is made according to the requirement of the Department as a whole.

(b) The reply to the first part is in the affirmative. As regards the second part, ordinary Baudot Operators were admitted to the training as the number of qualified Baudot Supervisors who volunteered for it was insufficient.

(c) All qualified men have been or are being trained, but as the training was optional and selections for it were made from suitable qualified Baudot Supervisors as they volunteered or as the exigencies of the service permitted, the men did not join the training class strictly in accordance with the dates on which they passed the Baudot Supervisors' examination.

EXAMINATIONS FOR BAUDOT SUPERVISORS AND TELEGRAPH MASTERS.

39. **Pandit Satyendra Nath Sen:** With reference to the examination for Baudot Supervisors and Telegraph Masters (*vide* reply given on the 19th September, 1932, to Mr. Amar Nath Dutt's unstarred question No. 45), will Government be pleased to furnish an up-to-date statement showing (i) the number of telegraphists qualified in departmental examinations (Telegraph Mastership and Baudot Supervisorship examinations) and awaiting promotions to the Telegraph Masters' cadre, (ii) the total sanctioned strength of Baudot Supervisors, (iii) the number of telegraphists qualified in ordinary Baudot supervisory examination awaiting appointment as Baudot Supervisors, (iv) the number of telegraphists qualified in higher Baudot Technique subjects only awaiting appointment as Baudot Supervisors, and (v) the number of telegraphists qualified in both subjects referred to in (ii) and (iv) awaiting Baudot Supervisory appointments?

Sir Thomas Ryan: Information is being called for and will be laid on the table in due course.

RECRUITMENT OF LOCAL SERVICE TELEGRAPHISTS.

40. **Pandit Satyendra Nath Sen:** (a) Is it a fact that in the year 1920-21 Indian probationers were recruited for training and subsequent appointment as Local Service Telegraphists?

(b) Is it a fact that non-Indians, who were the contemporaries of such men, were entertained in the General Service?

(c) Is it a fact that when these men nearly completed their course of training, they were compelled to accept a newly introduced service, *viz.*, Station Service on pain of dismissal?

(d) Is it a fact that these men, when compelled to accept the Station Service, expressed their willingness to accept the General Service? If so, why was their prayer not granted?

(e) Is it a fact that the Rangachariar Committee recommended that these men should be retained in the Local Service?

(f) Is it a fact also that owing to the abolition of the Local Service all the Local Service men were transferred to the General Service? If so, why was not the same procedure adopted in dealing with the cases of these men?

(g) Is it a fact that even after the compulsory transfer of these Local Scale Indian probationers to the Station Service, non-Indians were recruited for the General Service through certain institutions? If so, why?

(h) Will Government be pleased to place on the table the following figures:

- (i) how many men were forced to accept the Station Service;
- (ii) how many Indians and non-Indians were thus affected; and
- (iii) how many outsiders were recruited to the General Service from the time of appointment of these men up to now, and how many of them were Indians and non-Indians?

(i) Is it a fact that in the year 1928 a batch of compulsory Station Service men were transferred to the General Service? Is it also a fact that subsequently it was announced that another batch would be transferred in the near future?

(j) Is it a fact that in spite of this assurance only a few such cases were considered and a good number of vacancies were filled up by appointment of other classes of men, *especially outsiders*? If so, will Government be pleased to state why the cases of these men were again ignored even after a lapse of eleven years, and why outsiders were given preference over men already in service?

(k) Is it a fact that these men were subjected to additional signalling and medical tests on two occasions to prove themselves fit for General Service?

(l) Is it not a fact that telegraphists of all classes undergo the same training and while in service they have to pass the same number of tests? Is it also not a fact that the General Service Telegraphists have to pass only one medical test?

(m) If the above facts be true, will Government be pleased to state why the Director General has subjected these men to hardships on several occasions as mentioned at part (a) and what cost was involved in their medical examination?

(n) Have Government considered the question of the abolition of these examinations? If not, why not?

Sir Thomas Ryan: (a) Yes.

(b), (c) and (d). The Honourable Member is referred to the reply to Mr. M. K. Acharya's question No. 331 in this House on the 27th January, 1926.

(e) Yes.

(f) The Honourable Member is referred to the reply to Mr. M. K. Acharya's question No. 24 in this House on the 31st January, 1927.

(g) Yes. Government were bound by certain undertakings with various educational institutions which had to be observed; and, further, Government had never recognised any obligation to provide for all local scale probationers in the General Service.

(h) (i) 252.

(ii) Precise figures are not available, but the totals are approximately 239 and 13, respectively.

(iii) The information asked for could not be collected without an undue expenditure of time and labour.

(i) Yes.

(j) As regards the first part, it was not "in spite of" as stated by the Honourable Member, but in accordance with the assurance referred to that a batch of 46 'forced' station service telegraphists were transferred to the general service. The reply to the second part is in the affirmative. As regards the third and fourth parts, Government have never recognised an obligation to transfer all 'forced' station service telegraphists to the general service; some outsiders were recruited in the interest of the efficiency of the service.

(k) Government have no precise information, but whenever a local service or station service telegraphist volunteered for transfer to the general service according to requirements, he had to pass the tests

referred to, to prove his fitness at the time for the general service conditions of employment, no matter whether he had already passed such tests on a previous occasion.

(l) The reply to the first part is in the affirmative and to the second part in the negative.

(m) The first part does not arise in view of the replies to parts (k) and (l). As regards the second part, Government have no precise information.

(n) Does not arise.

PAY OF TELEGRAPHISTS TRANSFERRED FROM STATION TO GENERAL SERVICE.

41. Pandit Satyendra Nath Sen: Is it a fact that the telegraphists transferred from Station to General Service get no immediate increase of pay? Will Government be pleased to state why in the best interests of economy and efficiency such transfers were not made from these men and outsiders recruited on the General Service Scale of pay?

Sir Thomas Ryan: Generally speaking, the reply to the first part is in the affirmative. As regards the second part, I presume that the question relates to recruitment made some years ago. Government did not consider that the best interests of efficiency would be served by filling all vacancies in the general service by the transfer to it of station service telegraphists, although a proportion of the vacancies were so filled.

TRANSFER OF FORCED STATION SERVICE TELEGRAPHISTS TO GENERAL SERVICE.

42. Pandit Satyendra Nath Sen: (a) Will Government be pleased to state how many compulsory Station Service Telegraphists passed the extra signalling and medical tests on the last occasion? How many of such men have not yet been transferred to the General Service? When can such transfers be expected?

(b) Is it a fact that in the year 1928 transfers to the General Service were made from the Local and forced Station Service men only? Is it also a fact that in the year 1930 the above procedure was not adopted and a certain percentage of the vacancies were filled up by direct recruits and pure Station Service men owing to the modification of recruitment rules?

(c) If so, will Government be pleased to state the reasons for changing the policy of recruitment without transferring the remaining forced Station Service men to the General Service?

Sir Thomas Ryan: (a) As regards the first and second parts, the number are approximately 138 and 92, respectively. As regards the last part, Government regret that they do not see any prospect of its being possible to make any further transfers to the general service.

(b) The reply to both parts is in the affirmative.

(c) Government have never recognised that men in the so-called "forced" or "compulsory" station service class have a right to claim transfer to the general service, though they allowed some such transfers as a matter of grace when recruitment was being made of additional telegraphists.

TRANSFER OF FORCED STATION SERVICE TELEGRAPHISTS TO GENERAL SERVICE.

43. **Pandit Satyendra Nath Sen:** (a) Is it a fact that as the result of various representations for transfer of forced Station Service Telegraphists to General Service from different service associations the Government of India in the Department of Industries and Labour, though declining to announce a definite scheme for transfer of such men, assured in 1926 that their case would be sympathetically considered, when surplusage which then existed in the General Service had been worked off?

(b) Is it also a fact that, notwithstanding this surplusage, recruitment to the General Service through certain institutions, which entertained non-Indians only, went on as usual?

(c) If the reply to part (b) above be in the affirmative, will Government be pleased to state how far this policy was consistent with the assurance given to these men?

Sir Thomas Ryan: (a) Yes.

(b) Yes, but only to the extent of the minimum figure to which Government were at that time pledged to the institutions referred to.

(c) There was no inconsistency in view of the replies to parts (a) and (b). The pledges to the institutions were withdrawn as soon as was practicable.

FORCED STATION SERVICE TELEGRAPHISTS.

44. **Pandit Satyendra Nath Sen:** (a) Is it a fact that the total number of telegraphists known as 'forced Station Service Telegraphists' is very limited being less than 200 in all India and Burma?

(b) Is it also a fact that Government were able to provide only 92 of these men to the General Service during these long six years after the assurance was given to them in 1926?

(c) Is it not also a fact that had the recruitment to General Service been confined to these and Local Service men only, at least from the year the said assurance was given, all of them would have been absorbed by this time?

(d) If the answer to part (c) be in the affirmative, will Government be pleased to lay on the table:

(i) the total number of men recruited to the General Service since the assurance was given in 1926,

(ii) the number of men appointed direct to the General Service from outsiders, Indians and non-Indians, and

(iii) the number of men transferred to the General Service from each of the following cadres of telegraphists, viz., Local Service, Forced Station Service, only Station Service?

Sir Thomas Ryan: (a) Yes.

(b) Yes, but I would point out that there was no assurance of transfer to the general service.

(c) Government are not prepared to express an opinion.

(d) (i). 393.

(ii) 252, of whom 204 were Anglo-Indians and 48 Indians.

(iii) 17, 92 and 92, respectively.

QUALIFICATIONS FOR RECRUITMENT TO THE TELEGRAPH TRAINING CLASSES.

45. **Pandit Satyendra Nath Sen:** (a) Is it a fact that Indian graduates recruited to the telegraph training classes in the year 1920 were allowed to enter the General Service?

(b) Is it also a fact that this rule was subsequently modified and Indians, whether graduate or not, are not allowed to enter the General Service?

(c) If the answer to part (b) be in the affirmative, will Government be pleased to state the reason for such modification?

(d) Will Government be pleased to state the minimum educational qualifications required of a non-Indian to enter the General Service?

Sir Thomas Ryan: (a) Yes.

(b) No, the Honourable Member's attention is invited to the memorandum regarding the conditions of service, recruitment and training of telegraphists in the Indian Posts and Telegraphs Department dated August, 1928, a copy of which is in the Library of this House.

(c) Does not arise.

(d) The Honourable Member is referred to paragraph 12(d) of the memorandum already referred to.

DISTINCTION BETWEEN RESIDENTIAL SCHOOLS AND DAY SCHOOLS.

46. **Mr. M. Maswood Ahmad:** (a) Do the Provincial Education Codes make any distinction between residential schools and day schools of the same grade run by Provincial Governments? If so, which code?

(b) Do the Government of India make distinctions in the centrally administered areas between residential and day schools of the same grade?

(c) Is it a fact that according to the Provincial Education Codes the status of schools depends upon the grade of instruction imparted therein, and not upon whether they are residential or day schools?

Mr. G. S. Bajpai: (a) and (b). Such information as is available to Government does not suggest that any distinction is made between residential schools and day schools of the same grade maintained by the Provincial Governments. The centrally administered areas usually follow the provisions of the Education Code of a neighbouring province.

(c) Yes.

SCALES OF PAY OF THE HEAD MASTERS OF THE EAST INDIAN RAILWAY INDIAN HIGH SCHOOLS.

47. **Mr. M. Maswood Ahmad:** Is it a fact that the Headmasters of the East Indian Railway Indian High Schools have the same scale of pay as the Headmasters of Government High Schools in Bengal, Bihar and the United Provinces?

Mr. P. E. Rau: Yes, except the present Head Master of the East Indian Railway Indian High School, Tundla, who is on a special scale.

SERVICE, DISABILITY OR INVALID PENSIONS IN THE ARMY.

48. **Mr. M. Maswood Ahmad:** (a) Is it a fact that service, disability or invalid pensions are given to all ranks, combatants and non-combatants, including religious teachers of the Indian Army?

(b) Is it a fact that mustering-out pensions or gratuities are admissible to the personnel of the Indian Army, who are discharged on account of the disbandment of a unit and consequent elimination of its reserve, or on account of reduction of establishment or in any other circumstances due to no fault of their own, without any restriction to any date of their enlistment or re-enlistment in the Indian Army?

Mr. G. R. F. Tottenham: (a) Generally speaking, the answer is in the affirmative, except that the service of religious teachers is non-pensionable. They are, however, eligible for gratuities in the circumstances mentioned in paragraph 216 of the Pension Regulations.

(b) The rules for the grant of mustering out pensions and gratuities to Indian ranks are contained in paragraph 218 of the Pension Regulations.

PETITIONS OF EX-INDIAN OFFICERS AND SOLDIERS OF THE INDIAN ARMY IN RESPECT OF ARREARS OF PAY, ALLOWANCES AND PENSIONS.

49. **Mr. M. Maswood Ahmad:** Is it a fact that petitions of ex-Indian officers and soldiers of the Indian Army, in respect of arrears of their pay, allowances and pensions are not attended to even by the highly-placed military officers? If so, will Government kindly state the reason for such a procedure and their attitude towards their loyal and faithful servants?

Mr. G. R. F. Tottenham: The answer to the first part of the question is in the negative. The second part does not arise.

STATEMENT RE VOTERS' LISTS OF THE CENTRAL AND PROVINCIAL LEGISLATURES.

The Honourable Sir Brojendra Mitter (Leader of the House): Sir, in reply to a question supplementary to Mr. M. Maswood Ahmad's question No. 1170, I agreed on the 14th November, 1932, to place copies of the Voters' Lists of the Central and Provincial Legislatures in the Library of the Central Legislature, on the understanding that they were sold cheaply by Local Governments. It has now been found that the cost of compliance with the Honourable Member's wishes would come to be prohibitive and would amount to many thousands of rupees. Though several Rolls have been already purchased, Government have decided, in view of the expenditure involved, to purchase no more. I may add that the copies already received weigh about six maunds and there is not sufficient space in the Library of the Central Legislature to store such bulky documents. (Laughter.)

THE RAILWAY BUDGET—LIST OF DEMANDS—contd.

SECOND STAGE—contd.

DEMAND NO. 1—RAILWAY BOARD—contd.

Paucity of Muslims in the Railway Services—contd.

Mr. Chairman (Sir Hari Singh Gour): Further consideration of Mr. M. Maswood Ahmad's motion:

"That the demand under the head 'Railway Board' be reduced by Rs. 100"

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, I am glad to see the Honourable the Home Member and the Honourable Member for Industries and Labour before us. I want to repeat my long standing grievances on the floor of this House.

The Honourable Sir Harry Haig (Home Member): On a point of information, Sir, I hope the Honourable Member is not repeating his speech for my benefit, because I happened to listen to it yesterday afternoon.

Mr. M. Maswood Ahmad: Today my Honourable friend will find new facts and figures which also will benefit him. Mr. Chairman, in this connection, without wasting a single minute of the House, I want to review broadly the position as regards Muslim representation in the railway services. I shall take up the Railway Board first.

An Honourable Member: What is your motion? Move it first.

Mr. M. Maswood Ahmad: It was already moved yesterday and it is now under discussion. If my Honourable friend had been in his seat, but is still not aware of it, I am sorry I cannot help it. (Voices: "Go on.")

Sir, in the Railway Administration Report, at the end they publish the names of the Officers who are in the Railway Board. I am sorry to say that first of all in the list of Members of the Railway Board including the Financial Commissioner, I do not find a single place for my community, while other important communities have got their share. Then among the Directors also, I find that there is not a single Muslim Director on the Railway Board. Now, Mr. Chairman, on the 31st March, 1930, there were four Muslim Officers out of a total of thirty-five and, on the same date, in 1931, there were four Muslim Officers out of a total number of thirty-eight, which means that our percentage there also was reduced. In this report for 1931-32, I find the name of only three Muslim Officers, and my information is that, out of the three Officers, Mr. Yakub Shah, whose name I find in the list, is not now in the Railway Board. So this is the position concerning my community's representation on the Railway Board. This is how the Muslim percentage has been raised by my Honourable friends!

Now, turning to the Agents, you will find there is not a single Muslim gentleman. When I come to the Deputy Agents, I want to remind the House that the Honourable the Financial Commissioner as well has admitted that an undertaking was given that the case of Muslims in this connection would be considered.

Mr. P. E. Rau (Financial Commissioner, Railways): No, Sir. I have never admitted that case. That is not a fact.

Mr. M. Maswood Ahmad: In this connection, Mr. Chairman, first of all I want to refer to the Legislative Assembly Debates of the 22nd February, 1932, Vol. II, No. 2.

Mr. P. E. Rau: I am sorry I misunderstood my Honourable friend, Sir. If he meant to say that an undertaking was given by the Honourable Sir George Rainy that such a case would be considered, that is of course a fact.

Mr. M. Maswood Ahmad: Then my Honourable friend now admits it, because I have referred him to the actual Debates. (Applause.)

Now, you will find, Sir, that there is not a single Muslim Agent. Then, when I turn to the Deputy Agents, I take first the case of the East Indian Railway. As regards the Deputy Agents there, let us see what were their qualifications when they were appointed as Deputy Agents, what was their length of service and in what place they were in the seniority list. I want the Honourable Member to let us know that. Take Mr. Robertson. I repeat the several questions mentioned above.

Now, Sir, when you turn to the North Western Railway, you will find that the Deputy Agent, Mr. Cameron, is about 29 points below others in the Seniority List. So he has superseded Mussalmans, he has superseded Hindus, he has superseded all. Further, you will find that Mr. Cameron was junior by 13 places to Mr. Ghulam Hussain Shah and he was 19 places down as compared with Mr. Muzaffar Hussain and 7 places below Mr. Yakub Shah and three and two places below Sayed Husain and one more Muslim gentleman. My Honourable friend may stand up and correct me about one or two places, because although I wanted to see the Seniority List, I was not supplied with this, but the fact will remain that that cannot affect my case much.

Now, I want to say that in the Great Indian Peninsula Railway also there is one Mr. Woods who, in the Seniority List, is junior to several others.

Similar is the case with Mr. Pringle—the Deputy Agent on the Eastern Bengal Railway. I am not attacking them in their personal capacity. They all are gentlemen and I will be glad to see them as Agents. I am only pointing out the injustices to my community.

Then, when I turn to the gazetted ranks, because I want to survey the whole situation one after another, and I may say that I do not want to comment, but I want to leave this matter in the hands of the House and my Honourable friend the first Indian Railway Member, who is sitting opposite,

Sardar Sant Singh (West Punjab: Sikh): Will my Honourable friend let us know if Mr. Cameron was below, by 17 or 18 places, other Indians, Anglo-Indians and Europeans also?

Mr. M. Maswood Ahmad: About Mr. Cameron I said he was much below Indians—not only Mussalmans, but Hindus as well. He was below them all. As to Mr. Woods, who has been appointed the Deputy Agent, Great Indian Peninsula Railway, after the late Mr. J. Scott, I say,

he too is down in the list after many others. I have not got the reference with me just now so as to be able to quote the names of the senior Hindu and senior Mussalman gentlemen. My Honourable friend may want to refer to the reference and then it would be very difficult; so I omitted that portion. I asked my Honourable friend for the seniority list itself and he has replied that he cannot supply me with that; I have got that letter also with me. I hope my Honourable friends will get sufficient chance and, therefore, they need not waste my time by these interruptions. Besides, Mr. Chairman, you asked me yesterday to ignore these interruptions, and so I will ignore them.

Khan Bahadur Haji Wajiduddin (Cities of the United Provinces: Muhammadan: Urban): He is advocating the cause of Indians and not of Muslims only.

Mr. M. Maswood Ahmad: Now I turn, Sir, to the list of Gazetted ranks. In this connection I will take the case of the State-managed Railways first, because my Honourable friends opposite have in the past contended that they have not much control over the Company-managed Railways and, therefore, they had taken last year the figures for the State-managed Railways. But, I think, they did that, because it was suiting them on that occasion. So, I will take the figures for the Department over which my Honourable friend, Sir Joseph Bhore, has got full control. Now, what is the condition there? You will find that on the Burma Railways there is only one Muslim out of 111. I am quoting from page 50 of 1931-32 report.

On the Eastern Bengal Railway, in which area the Muslims are in a great majority, I find there are only six Muslim employees out of a total of 184.

On the East Indian Railway, there are 11 Muslims out of a total of 319 employees.

On the Great Indian Peninsula Railway, there are 10 Muslims out of 225.

On the North Western Railway, there are 20 out of 259.

In the Railway Board, they have mentioned four Muslims out of 78, although there are only three Muslim names mentioned in the list on the last page of the report. There might be some mistake about it. Be that as it may, the fact remains that there are not more than four Muslims in the Railway Board out of 78 Gazetted Officers.

Now, Mr. Chairman, on the 1st April, 1925, the Muslim percentage in the Gazetted ranks was 3.17. My Honourable friend, Sir Joseph Bhore, yesterday or the day before compared the figure about the number of Indians with the figure of 1925 and showed that there was an increase. I admit that since 1925 our percentage has gone up, but by one per cent. only and this has happened in seven or eight years. What happened in 1932? On the 1st of April, 1932, this figure has gone down to 4.62 whereas it stood at a higher figure in 1931. All other communities have gained, but the Muslim community has lost its percentage.

Now, I come to the Company-managed Railways. Here the case is much more disgraceful. The Muslim percentage on these Railways is 2.55 per cent. only and the total of the State-managed Railways and the Company-managed Railways comes to 3.75 per cent. only. So, it will be

[Mr. M. Maswood Ahmad.]

quite clear that my community has lost on State-managed Railways during the year 1931-32 whereas other communities have gained. I do not grudge the Hindus if they have gained a few more posts, as their percentage also is not satisfactory, but my community is the more looser. Everything has gone in someone else's pocket. The great difficulty is that Europeans have been divided into three categories in themselves. There is one schedule for Europeans, another for Domiciled Europeans, and yet another for Anglo-Indians, and the last two communities have been shown amongst Indians.

I now turn to the new recruitment. My Honourable friend may say that they could not raise the percentage of Muslims, because of the retrenchment and other reasons, but what about them when you come to the question of new recruitments? This is the point. In this connection I will read a chart which I have taken from the report of 1931-32.

It has been formulated from page 50 of the report and it relates to permanent posts. Honourable Members will be surprised to hear the position when I put it before them:

In 1928-29, the total number of posts which were filled was 63, out of which Europeans, Anglo-Indians and Domiciled Europeans combined got 27, Hindus 29, others 3 and we, Muslims, about whom they have got so much sympathy and love, got only four. In 1929-30, they filled 41 seats, out of which Europeans, Anglo-Indians and Domiciled Europeans got 15, Hindus 19, others three and the Mussalmans got only four. In 1930-31, out of 60 seats actually filled, Muslims got five, Europeans and Anglo-Indians 31, Hindus 20 and others four. In 1931-32, 32 seats were filled, out of which 24 went into the pockets of Europeans and Anglo-Indians, Hindus got only eight and the Mussalmans one, and others *nil*. So, you will find that in four years out of 196 seats, 96 went into the pockets of Europeans, Anglo-Indians and Domiciled Europeans, Hindus got 76, Muslims 14 and others 10. And if you take the figures for the three years, they come to this: Total of three years 133 seats, out of which 69 went to Europeans and Anglo-Indians, 47 to Hindus, 10 to Mussalmans and 7 to others.

Now, I turn to different Departments.

In the Accounts, Mussalmans could not get a single seat, although two seats were filled in the accounts branch in 1930-31. In the case of Engineering, we got only four seats out of 33 and in the case of Transportation and Traffic we got four seats out of 54. In the case of the Stores Department, out of three seats we cannot get a single seat. The total of Muslims comes to 10 out of 133 in these three years. Sir, it is in this way that my Honourable friend has tried to raise our percentage.

I have already shown to the House the figures of the previous years in the case of Company-managed Railways and how they were filled. I will now quote the figures for 1931-32, Part I of the Schedule. In the statement showing the number of permanent vacancies filled in the superior establishment of Class I Company-managed Railways excluding the Nizam's and Jodhpur Railways, out of 39 seats, which were actually filled, Muslims could get only one seat. And if you will combine the temporary seats as well you will see that Muslims, instead of getting anything, got minus one, because two men were retrenched and one got a seat; so, in the aggregate, we lost one seat.

Now, Sir, I propose to examine the Muslim posts in the upper subordinate services where the pay is from Rs. 250 upwards. There you will find, on the State-managed Railways, the position of my community is as follows:

We have 11 posts out of 440 on the Burma Railways, on the E. B. Railway we have 12 out of 435, on the Eastern Bengal Railway we have 46 out of 2,035, on the G. I. P. we are 35 out of 1,426, on the North Western Railway we are 190 out of 1,348 and in the Railway Board we have 18 out of 176. The net result is that our percentage in this cadre is 5.32 on State-managed Railways.

In the Company-managed Railways, we have got three out of 93, on the Assam-Bengal Railway, 15 out of 873, on the Bengal-Nagpur Railway, six out of 109, on the B. and N. W. Railway, 36 out of 1,006, on the B., B. and C. I. Railway, and in the M. and S. M. Railway, we have *nil*. In the gazetted ranks of the M. and S. M. Railway as well you find that there are no Muslims. Then, in the Rohilkhand Railway we have one out of 22 and in the South Indian Railway we have five out of 309, and the total percentage comes to 2.31.

Now, Sir, you will find, when you come to the cause of this decrease in our percentage in 1932 from 1931, in the State-managed Railways, that the authorities of the Eastern Bengal Railway and the East Indian Railway are responsible for this. You will find that on the Eastern Bengal Railway the Muslims were seven in Gazetted rank and their number has been reduced to six only, while the total number of gazetted ranks is the same, 134. So they did not reduce their total strength, but the number of Muslims in the gazetted ranks was reduced from seven to six. If you will turn to the East Indian Railway, you will find that the Muslims were 15 there and, in 1932, their number was reduced to 11, while the total of Indians was 134 and it has been reduced to 131 only. So the total number of Indians there were reduced by three only, but the Muslims were reduced by four.

Then, Sir, I will now take the case of the menials. In 1930, we were 22.31 and in 1931, this number has gone down to 22.13, and in 1932, this percentage has gone down to 21.59. So you find that every year the Muslim percentage has gone down, while the percentage of Europeans *cum* Anglo-Indians has gone up from 2.4 to 2.41 and 2.48. This is a case for my Honourable friend Bhai Parma Nand, and his community also has gone up from 70.8 to 70.86 and then to 71.19. In this connection I will quote about Class I Railways. Mr. Hayman, on behalf of Government, last year, stressed for Class I Railways. But what is the result of Class I? Now, I turn to Class I Railways. Mr. Hayman himself admitted that the percentage of Muslims had gone down. In 1930, it was 22.6 per cent. in 1931 the percentage became 22.4 per cent. and in 1932 it comes down to 22.2 per cent.

So you will find that there is a gradual decrease of .2 per cent, every year in the last three years.

Now I want to reply to two points raised by Bhai Parma Nand, and I do it with great pain. I do not want to raise bitterness, but I will fail in my duty if I will not reply. He has raised one question about the literacy of Muslims. I am sorry that the figures in the 1931 Census have not been published yet and are not in the Library. So I cannot quote

[Mr. M. Maswood Ahmad.]

from that. But I am quoting from the report of at least one province, namely, Bihar and Orissa, the report of which I have got with me, and where we are in minority.

Bhai Parma Nand (Ambala Division: Non-Muhammadan): I was talking only of the proportion of literates in Bengal.

Mr. M. Maswood Ahmad: You did not say that the other day. Please refer to your speech. Now, you will find, Sir, that among the literates, the Muslim percentage is not at all low. Though I am not prepared to admit that the posts should be divided amongst the different communities only on a literate population basis, I want to inform my Honourable friend that in Bihar only you will find that Muslim literates are 4.9 per cent. of their own population while the Hindus are 4.5 per cent. And, if you look at the men, who are literate in English, you will find that in Bihar the English knowing men amongst the Muslims are 57 while amongst Hindus they are 39 only. So you find that in literacy the Muslims are not backward at all.

Now, I turn to my friend, Sir Henry Gidney. He has also stressed the fact that education is everything and seats should be distributed on the educated population basis only. I should ask my Honourable friend to stick to any one point. If he says that education is everything, I will ask him to compete with the M.As of our communities and with the B.As of our communities. But you do not do that at all. When the question of B.As and M.As comes in, you say that in driving an engine there is no need for B.As and M.As. If you represent that view of technical knowledge, you have absolutely no right to raise the question of literacy. I will ask my Honourable friend to withdraw that remark.

Some one raised the question of competitive examinations. I want to ask, when we are spending lakhs of rupees on our Universities, what is the use of another competitive examination? We must stick to the University qualification. Come and fix M.As for clerks, come and fix B.As for drivers, I have no objection. Whatever you want for your whole Railway Services, I am ready to supply—I am speaking for my province of Bihar and Orissa. I beg the Department and my Hindu friends to tell me, how many M.As and B.As they require. I am ready to supply them from my Mussalman community from one province only. Therefore, Sir, there is no dearth of B.As and M.As in my community, but I do not rely, I am sorry to say, on the competitive examination. There are many reasons for the suspicion against these competitive examinations. We are spending thousands and thousands of rupees on Universities, and it is not advisable to ignore the qualified men of our community produced by them.

Now, a glance to the figures which I have quoted just now, and to the solemn promises which have never been fulfilled shows their intention. I remember here a verse now which is very common and which is known to others:

*"Tamannaon men uljhaya gaya hun,
Kholone de ke bahlaya gaya hun."*

The translation is that they have kept us in hopes only and that they have given us toys only to play with.

Now, Sir, I turn to two points more. One is Mr. Hassan's Report. In that connection, I am very sorry to say that Government have taken full one year in getting that report, and another year is passing, but still they are doing nothing. Sometimes they say that the file is in the Home Department and the Member in charge of the Home Department, when asked, says that he does not know where the file is, it has passed through his hands. One more point about Mr. Hassan's Report, namely, that there was an idea everywhere in this House and in the Railway Board that the Mussalmans have got more seats in the railway workshops. I will not take the time of the House in quoting the figure, but I will ask those Members, who have got in their hands a copy of the Report, to read it, and, when they have done so, they will find that the Mussalmans have got nothing more than their shares—rather they have got much less. The other point is that when we wanted any figure to check these figures, on several occasions we were not supplied with them and we were told that it would take much time to compile them. When we wanted to get the pay sheets, it was said that it was very difficult to lay on the table such a bulky thing. When I asked that these pay sheets should be placed at our disposal, they did not care to comply. When I said that I would like to see the pay sheets in the offices, they said that it was a confidential document. Unless you get the names of officers, you cannot check the figures which are supplied to us, if they are at all supplied.

I am very glad, Mr. Chairman, that truth comes on the lips and that is what happened on that occasion when my friend, Bhaiji (Bhai Parma Nand) was speaking the other day. He suggested that Muslims should be given only 25 per cent. of all the posts in services and he said that if Mussalmans get 25 per cent. posts, he has got no objection, but he suggested that these 25 per cent. posts should be distributed over all the Railways. In this connection I say that the Mussalmans will not mind to go to work on the M. and S. M. Railway or any other Railway. They are ready to go anywhere. They want only service. The Mussalmans are not unwilling to go and serve in other countries. But in the interest of the public, I will suggest to keep the employees in their home province so that they may be more helpful to the people.

I say that Government do not stick to any principle. Sometime they say that they fill these posts on efficiency basis, but I do not know if there is any apparatus to test efficiency. Up to now Europe has failed to make any apparatus to test the efficiency of a man. But the only test is the whim of the officers, and, Mr. Chairman, in this connection I will say that certainly it is very difficult for Mussalmans to satisfy the whim of any officer. Sometimes they say that they want experienced officers, when there are senior Muslim officers, then some other non-Muslim officer supersedes them. When we ask for any Mussalman to be provided in the post of Agents or others, they say that they cannot supersede any one, as it is very unjust, but, when the cases of others come, then the question of supersession comes automatically.

I want really to know one thing from my Honourable friend, and I want to put this question. Would you like to see that members of my community as a whole should threaten you and that you want that members of my community should now take part into non-co-operation? Is

[Mr. M. Maswood Ahmad.]

it a fact that in those circumstances alone they can do justice to any community? Let them tell so frankly on the floor of the House in a business-like way. I hope my community will accept the challenge and they will not be behind any community in making any sacrifices. If that is the only course for getting jobs, then I think my community will certainly accept the challenge and adopt these tactics. With these words, I move my motion.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That the demand under the head 'Railway Board' be reduced by Rs. 100."

Sardar Sant Singh: Sir, a similar motion for the representation of my community stands in my name a bit lower down. I think I had better say what I have to say in connection with this motion made by my friend, Mr. Maswood Ahmad. Before I begin, Sir, I want to congratulate my friend, Mr. Maswood Ahmad, on the spirit in which he has moved the Resolution and the attack that he has directed not against the sister communities of India, but against those who are at this time monopolising the higher jobs in this particular service. I am glad, Sir, that this year, the discussion about this employment in the services is turning to a more national outlook and I will not be guilty of saying anything, Sir, which may displease my other friends belonging to other communities. So far as the Sikhs are concerned, I may say that our population is 13 per cent. in the Punjab and a little over one per cent. throughout India. As the Railway systems run throughout the whole of India, if the figures are taken for the whole of India, you will find that so far as the Sikhs are concerned they are unrepresented in most of the provinces. This is not a matter for regret, because we are not found in other provinces and, therefore, we cannot expect service in those provinces. But, at the same time, it becomes a matter of necessity that the chief recruiting ground, the province of the Punjab, should supply at least the number according to the population to that railway system which runs through the Punjab, I mean the North Western Railway. In the statistics for the North Western Railway, I find that on the whole service the Sikhs are 8.04 per cent., while the population is about 13 per cent. It is, therefore, clear that we are not represented even according to our ratio of population

Mr. N. M. Joshi (Nominated Non-Official): The North Western Railway is not confined to the Punjab.

Sardar Sant Singh: It runs through that province where the Sikh population lives. Even in Sind and the United Provinces, there is a greater number of Sikhs living than in other parts of the country. Therefore it is expected that their representation on the North Western Railway should be something over their population basis. But the figures tell us that we are not represented even according to our population basis. In several services we find that there are no Sikhs; there is not a single Sikh in the lower gazetted services in any branch of the North Western Railway. There are no Sikhs in the cadres of labour wardens, telegraph traffic inspectors, signal interlocking inspectors, controllers, deputy controllers, claim tracers, clerks of grades 4, 5 and 6, station supervisors and goods supervisors. There is a very poor percentage in

shed foremen, traffic inspectors, head collectors, assistant surgeons, higher grade station masters, permanent way inspectors and claims inspectors. We find that the main services have no Sikh representation. While, coming to the higher grades, as my friend has been discussing the Railway Board Directors, Deputy Directors, etc., we do not find any Sikh at all. Not only this injustice has been done on account of lack of recruitment, but it is done on this account as well, that there are no Sikhs to protect the interests of the members of their community. The result is that whenever there are questions of promotion from the lower grade to the higher grade, naturally our community has the greatest grievance in not being properly represented before the highest officer. My friend, Sir Henry Gidney,—while speaking on behalf of his community, the Anglo-Indians,—said that they have got a special aptitude for this sort of job and they must be over-represented in this branch of the service

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): I have never said that on the floor of this House: I said we may imbibe our railway aptitude in our mother's milk.

Sardar Sant Singh: That is a stronger expression. What I mean to say is that if this criterion is adopted that a particular community is adapted for a particular branch of service, in that case, I am afraid, that other communities will be entirely barred from entering into that particular service; and if the Government give effect to this policy of aptitude, then I will be perfectly satisfied if the Military Department is reserved for my community. Then, I will not claim any share in the Railway Department or any other Department: I shall be perfectly satisfied if the ratio is made up by giving us military ranks and taking away the few services from the Railway and other services. But I am afraid

An Honourable Member: Do you want that exclusively for yourself?

Sardar Sant Singh: If the Anglo-Indians want the Railways exclusively for themselves, then I want the military exclusively for myself, and I shall be perfectly satisfied with that. Lastly, I will say one word and I will finish. In the year 1931, I made a request to the Government that while publishing statistics about the communal representation in the various services, the Sikhs should be shown separately. I find that no such information is available from the published records. I will make that request again, that in order to give us an adequate idea of how our community is represented in the railway services, steps should be taken to publish statistics for our information, so that we may not depend entirely on outside agencies to supply us figures which may be questioned by the Honourable Member while giving replies. Therefore I would request the Honourable Member to take necessary steps to get the necessary representation of my community in the various grades of the railway services.

U Kyaw Myint (Burma: Non-European): Sir, I have never intervened in this House in any debate which has not concerned Burma exclusively, but I feel I have got to intervene in the present debate; and my Moslem friends will pardon me if I say at once, frankly, that I am opposed to the motion. The Honourable the Mover of the motion displayed considerable emotion. I was touched by his emotion, but not so greatly touched as to have my reason clogged by emotion. In me, who is neither a Hindu

[U Kyaw Myint.]

nor a Muslim, there is the great gift of impartiality in such a debate. I am a mere spectator and perhaps I see, as usual, more of the game than the actual participants.

The greatest tragedy in India is this constant communal tussle. I have seen both sides of it. In Burma I am a member of a majority; in India I am a member of a minority; in this House, for example, I am, if you will pardon a phrase, first used, I think, by G. K. Chesterton, in a minority of one at the present moment. Unless we can so educate ourselves, unless we can get accustomed to the absolute forgetfulness of the communal idea, unless we become accustomed to the cultivation of a national idea, one hardly dares to say what is going to happen to India as a nation and as a country in the very near future.

I belong to a nation which numbers only 12 millions out of a total of 340 millions in the Indian Empire. I am certainly in a majority in Burma; I am in a hopeless minority when Burma is considered as part of the Indian Empire . . .

Sir Abdulla-al-Māmūn Suhrawardy (Burdwan and Presidency Divisions: Muhammadan Rural): That is why you want to separate?

U Kyaw Myint: I am not one of those who want separation. That has been the strongest argument in favour of separation; and now that one of my Honourable friends has been pleased to interrupt me and introduce the subject, you will allow me, Sir, to touch upon that subject also. The threat of racial extermination, the threat of being swallowed up in the diversity of communities in the Indian Empire, that has been the strongest argument in favour of the separation of Burma from India. That argument we have always met squarely in this way: I would much rather see the Burmese nation disappear than foster such communal ideas for ever. (Hear, hear.)

Sir, the Honourable the Mover of the motion, as my Honourable friend, Sardar Sant Singh, has pointed out, directed his criticism not merely against the sister community, but he directed his criticism largely against the community represented by my Honourable and gallant friend, Sir Henry Gidney . . .

An Honourable Member: They are also a sister community.

U Kyaw Myint: We have got to learn now that the reforms are on the horizon, that we have to think nationally, and we have got to get rid of the minority problem. The communal problem must disappear before we achieve nationality. (Hear, hear.) I am one of those who believe in the future . . .

Mr. M. Maswood Ahmad: A good deal depends on the Railway Member.

U Kyaw Myint: The Honourable the Railway Member will be in charge of the Railway Department for only a short time. We are in charge of the nation's destiny. Until we can think of India as a whole, until we can think of all the communities in India as one entire nation, we shall never go forward . . .

Lieut.-Colonel Sir Henry Gidney: Quite right, hear, hear.

U Kyaw Myint: On that ground alone, and purely as a matter of principle, I oppose this motion.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): Sir, if I intervene in this debate, it is only to make some suggestions with regard to a question that has been so constantly raised both on the floor of this House and outside it and has generally created a great deal of heat. I may at once say that I am in entire agreement with the general attitude that has been taken up by my friend from Burma. He and I are at one in the idea that we should try to think nationally, that we should try to see that communal cleavages are a thing of the past, and that every community feels secure in the new constitution that this country is going to have. If I venture to make remarks which are in dissonance with those he has made, it is because I find the way of nationalism along certain lines different from the lines which he has tried to make out this morning. Sir, there is an old saying in the South that two people went, and one suggested "you bring the rice and I will bring the husk, let us mix the two together and we will divide it equally after winnowing it." That is the sort of argument that is suggested, when those, who are in an advantageous position, ask others, who are less fortunately placed, to think nationally and not to raise these communal issues. I feel that that is not the way how the question can be attempted to be solved. We must be much more square in these matters and try to look at the other side of the picture also and see whether there is any real, genuine grievance with reference to this matter.

Listening to the debates from time to time in this House, I have often heard it suggested that the introduction of the principle of communal representation is a vicious principle, that it creates a virus into the whole national body politic and that it destroys the entire structure of society. It has been suggested that nowhere else in the world has this system been applied and that no Government which try to call themselves a civilized Government will venture to create these differences or to recognise these differences.

Sir, I want to approach this question from two points of view. I want to suggest, first of all, that this principle of communal representation in the services is neither so new or strange as it is so often suggested in this House and elsewhere, and then I want to go to my real task of placing before the Honourable Member in charge of the Railways some constructive suggestions how once and for ever, if possible, this question can be solved so that this House may not see the farce, if I may say so, or the sorry spectacle of innumerable questions being asked or innumerable motions being made time after time. Sir, if my reading of the political history of various countries serves to help me in solving this question, I find that the principle of communal representation has been applied in several dominions and in several foreign countries. Go to South Africa, and there you find that the Dutch and the English have tried to live together as brothers, merely because they realised and they gave facilities for the realisation of the principle of equal opportunities for both these communities. Go to France, and you find the same principle working; go to Canada, and you find that the French and the English people have

[Diwan Bahadur A. Ramaswami Mudaliar.]

been able to live like brothers, only because they faced this question squarely and tried to see that in the service of the country both the communities had equal opportunities. At one time it was suggested that the question of communal representation in ministries is so hopelessly out of variance with all ideas of cabinet unity and of cabinet responsibility that I ventured to look up this question with reference to various constitutions and with reference to various countries, and it was a surprise to me to find, that, even with reference to this question on which I thought there could be no two opinions, self-governing countries have recognised the principle and have given effect to that principle. Let me quote, Mr. Chairman, the example of Canada

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is perfectly aware that Mr. Maswood Ahmad's motion is a very narrow one dealing with the paucity of Muslims in the railway services.

Diwan Bahadur A. Ramaswami Mudaliar: I am trying to point out that the claim of Muslims for representation in the railway services is a perfectly legitimate claim and I am trying to meet the arguments of those who have spoken or who are going to speak after me that there is something vicious, something wicked, about this principle and that it ought not to be recognised. I am supporting the motion of my friend, Mr. Maswood Ahmad: (Applause from Muslim Members.)

"In considering the claims of the leaders of political parties at Ottawa and at the provincial capitals in forming the Cabinet, the new Premier"

says an eminent writer:

"must also regard the claims of French Canada, the claims of the other eight provinces* the claims of the English-speaking population, of Quebec and the claims of the Roman Catholic population of the Dominion that is not French. Three of the Cabinet or ministerial offices are usually assigned to French Canada . . . and no Cabinet has been formed without a representative of the English-speaking Roman Catholic Church."

Summing up the position, this writer, Mr. Edward Porritt, in his excellent book "Evolution of the Dominion of Canada", says, that the distribution of Cabinet offices based on geographical considerations

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): On a point of order, Sir. The Honourable gentleman is referring to distribution of cabinet offices in Canada, while Mr. Maswood Ahmad's motion is not referring to the distribution of cabinet offices even in India, but to the paucity of Muslims in the railway services. I want to know what has the distribution of cabinet offices in Canada got to do with Mr. Maswood Ahmad's motion.

Mr. Chairman (Sir Hari Singh Gour): I have already ruled that the Diwan Bahadur is straying a little too far wide of the subject. We are here concerned only with the paucity of Muslims in the Railway service and not with the wider constitutional issue to which the Honourable the Diwan Bahadur has been referring. That would be perfectly pertinent on another occasion.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): What about Sardar Sant Singh's speech? He was advocating the claims of the Sikhs on this motion which was quite irrelevant.

An Honourable Member: Why did you not object then?

Mr. C. S. Ranga Iyer: I should like to know whether the Honourable gentleman, who just made an observation in regard to Sardar Sant Singh's speech, was reflecting on the ruling of the Chair.

Diwan Bahadur A. Ramaswami Mudaliar: I am trying to point out that in various other countries the distribution of office is based on "geographical considerations and on claims of race, religion and specially financial and material interests and that it is not an innovation which is sought to be applied to this country in particular". I think it is perfectly legitimate for me to point out that when my Muslim friends, my Sikh friends, my Anglo-Indian friends and even my European friends want certain representation in the services, they are not suggesting something absolutely novel, something which is against the whole spirit of any other administration in any other country. In fact, it has been stated "that the spirit of giving a little more than an equal division of the spoils of office, concessions here and concessions there to race and creed, has been the basis on which the statesmanship of various premiers and other officers has depended in the solution of this question".

Let me not refer to Cabinet Ministers, Sir, if that is a violation of the rules of strict relevancy to this subject. Let me refer to the case of the humble appointments which are made. If you again go to the question of the constitution of offices with reference to the Parliament of Canada, you will find that every office is so divided between the French and the English that they practically have equal opportunities. As has been humorously put by this writer:

"A roll call of the staffs of the two houses, including even the boys, in knickerbockers who act as pages, would contain the names of almost as many French-Canadians as Canadians of British ancestry."

Now, Sir, I wish that all communities in this country realise that it is a legitimate ambition for every community to have a proper place in the service of the country and that by every means possible we should try to bring about concord between the various communities by meeting that legitimate ambition. It is no good saying that efficiency will suffer. It is no good suggestion that only the test of merit should be applied in these matters.

Bhai Parma Nand: May I ask, whether in Canada there is separate representation in railway service for Roman Catholics and Protestants?

Diwan Bahadur A. Ramaswami Mudaliar: The Honourable Member may be absolutely certain that that is a fact. He can go through the relevant books if necessary. He will find that in the province of Quebec certain rules have been made by which the two communities are more or less equally represented. The same rules apply elsewhere also.

Bhai Parma Nand: The Honourable Member has not stated whether there is separate representation in the services for the Roman Catholics and the Protestants?

Diwan Bahadur A. Ramaswami Mudaliar: Not only is that so in Canada, but in various other countries. The trouble is that my friend, Bhai Parma Nand, speaks in the name of the whole Hindu community. He includes 40 millions of my brethren in the Madras Presidency who do not see eye to eye with him on this subject and makes observations without adequate knowledge of the facts of the case. Sir, I am not a Muslim. I am a Hindu. I venture to think that my policy will benefit the Hindus more than the policy which has been so far pursued by Bhai Parma Nand or those gentlemen of the Hindu Mahasabha who have been advocating the cause of the Hindus.

Bhai Parma Nand: That has nothing to do with the subject before us.

Diwan Bahadur A. Ramaswami Mudaliar: I have the high authority of various persons, at least as eminent as my friend, Bhai Parma Nand, including illustrious members of the Indian National Congress, members of the Round Table Conference of all communities gathered in London, whether they belong to the Congress, or the Liberal Party, Muslims or Hindus, for the statement that for the happiness of the country, for the future success of the constitution, the claims of the various communities in the services should be recognised. You are not going to help yourself, you are going to make an absolute failure of this constitution, whatever it may be and whatever it may be worth, if you are not going to recognise this elementary principle.

Bhai Parma Nand: You are introducing the communal virus according to your own principle.

Diwan Bahadur A. Ramaswami Mudaliar: It was the argument of communal virus that I was trying to meet in the quotation which I read out to the House from the Canadian Constitution. Now, let me go to the subject itself. You will have found, Mr. Chairman, in your experience as a Member of this House during the last 12 or 13 years that there have been innumerable questions on this subject from Muslims, from Sikhs, from Anglo-Indians and from various communities, and no Budget discussion, either on Railways or the General Budget, has been free from this question. Is it not time that we should put our heads together and try to see that this sorry spectacle is not repeated year after year?

Bhai Parma Nand: Who began it? Are you supporting that?

Diwan Bahadur A. Ramaswami Mudaliar: My Honourable friend is absolutely incapable of appreciating my point of view. If he can only listen more and interrupt less, he will find that I am pleading for the Hindus much more effectively than my Honourable friend. I may not get the encomiums of a certain section of the press, but I venture to think that I am pleading for that larger unity and that greater nationalism which we all desire. This question has been agitating the House during the last ten or twelve years.

Bhai Parma Nand: You are introducing communalism.

Diwan Bahadur A. Ramaswami Mudaliar: Resolutions and motions have been made in the Assembly. You take any agenda of questions and you will find that 50 per cent, of the questions are full of this subject, questions relating to individuals, groups, supersession, and so on and so forth. Shall we not come to an understanding on this side, so that we can work together in greater harmony in the future? That understanding can be arrived at. Let me take the administration of the Railways. My Honourable friend, Sir Joseph Bhore, is in charge of the subject. He is an Indian Member. He will enter into my feelings on this matter and he will try to understand it better than a European Member. We should come to some understanding on this question of filling the appointments in the railways and I make this constructive suggestion, if I may venture to so call it. I leave aside for the present the appointments that have been already made. I am in entire agreement with what the Honourable Member said yesterday that with reference to promotions and with reference to selection grade promotions, the question is entirely different and it ought to be so. I take the question of initial recruitment now and I take the subject of the State-managed Railways.

With reference to initial recruitment, you say that 30 per cent, should be set aside to make good any communal inequalities and that 70 per cent, should be recruited on considerations of merit. I cannot for the life of me understand how this principle will work in practice or how it is working in practice. An appointment is made. At that time, is the officer to say "This appointment should be earmarked for redressing communal inequalities" or is he to say that the appointment will be filled on the basis of merit? Is his judgment going to be exercised on the issue whether 30 per cent, to redress communal inequalities is required or not? I do not see how in actual practice it will work at all and I, therefore, make this suggestion. It is high time that you think of constituting a Public Services Commission entirely for the recruitment of the railway employees. It is high time that you lay down certain general principles for that recruitment. Take the clerical establishment. You have got thousands of appointments to be made. These appointments can be made by the various Agents, Deputy Agents and heads of administrations in various places. On what basis are they to make? How are these communal inequalities to be redressed? I suggest a principle which has been accepted elsewhere. Let us decide what communities require representation. Let us decide what percentage should be given to each of these communities with reference to initial recruitment and then let us take ten appointments and state that, by rotation the first appointment will go to a Hindu, the second to a Muslim, the third to a Sikh, the fourth to the Anglo-Indians, the fifth to a Hindu again, the 6th to a Parsi or I would suggest that certain appointments be earmarked for miscellaneous communities—a certain number to be fixed for Hindus, a certain number for Muslims, a certain number for Anglo-Indians and a certain number for Europeans also if you please. That is the only way in which you can rebut the charge that in the selection of these men favouritism has been shown to a particular man and that a better man with higher qualifications has been neglected and a man with poorer qualifications has been taken. The suggestion has been made by Bhai Parma Nand himself that he has no objection if in the future recruitment the ratio of the populations of the various communities should be reflected in the ratio of the recruits taken for such new appointments.

Bhai Parma Nand: Only on one condition, if the Muhammadans persist in it. I do not want it. I do not like it. I know it is against our national interest. But if they want it, then I say let them have for both the Railway systems, State-managed, as well as Company-managed, their 25 per cent.

Diwan Bahadur A. Ramaswami Mudaliar: I think the Muhammadans and other minorities do persist in it; if so, we think that that is the way by which this question can be solved.

Now, Sir, having laid down a condition that out of, say, ten appointments, so many should go to each community, there should be a fixed rotation by which these appointments should be made; and then I am entirely in favour of another suggestion which my Honourable friend, Mr. Lalchand Navalrai, made. I am for competition, but I am for a limited form of competition. Let there not be a feeling of grievance in any community that men are preferred merely on account of the influence that they bring to bear on particular members of the Government or on officers. Having fixed these proportions for the various communities, then have what is a well-known method of recruitment for various places, namely, a form of limited competition. Sir, there is a wide complaint amongst members of every community, from the community of my Honourable friend, Sir Henry Gidney, down to others, that in the actual filling up of posts by these men, not even the best men of that community are selected, but only those men who have some influence, who are the relations of this or that head of an office or of this head clerk of a ministerial officer or that; that is how these men get into the service.

Lieut.-Colonel Sir Henry Gidney: Quite right.

Diwan Bahadur A. Ramaswami Mudaliar: That is responsible for many of these questions and it is that which I venture to deprecate so strongly. I, therefore, suggest that a Public Service Commission entirely for Railways should be constituted, that that Commission should be told of the proportions in which the various communities ought to be recruited, and then that Commission should be asked to have minimum qualifications fixed for each appointment, and that, if necessary, that Commission should conduct a limited form of competitive examination for the recruitment of these various men to these various posts.

Then I should like to come to another question, namely, the question of promotions and the question of those who are already in service. Now, here I venture to think that no man would like injustice to be done to any man already in service. (*Lieut.-Colonel Sir Henry Gidney:* "Hear, hear.") Let us not punish them for the sins of those administrators, if sins they be, or for the want of foresight of those administrators. Sir, they are there, they have left off other avocations, they have loyally and faithfully devoted their lives to the services, they depend on promotion within that service, and, therefore, whether such a man be a Hindu or a Muhammadan, a European or an Anglo-Indian, to punish him, merely because of his community and of his birth, and to supersede him purely on that ground is one of the most vicious things that no Government can tolerate. (*Lieut.-Colonel Sir Henry Gidney:* "Hear, hear.") My Honourable friend, Sir Henry Gidney, may rest assured that I shall not be a party to penalizing men in service (*Hear, hear*), merely on the ground

of their birth and their creed. But, then, arises the question, is everything right in the state of Denmark? Are promotions made on account of merit? Is seniority even the only or chief consideration? No administration has recognised that seniority can be the only consideration with reference to promotions. Merit must be the consideration. The exact amount of weightage to be given to seniority and merit in promotions and in making selection appointments is one of the most difficult of issues which every Head of a Department has to face. But, having done that, what is the exact procedure? Sir, I do not know whether you want to adjourn now.

Mr. Chairman (Sir Hari Singh Gour): How long does the Honourable Member expect to take?

Diwan Bahadur A. Ramaswami Mudaliar: About 20 minutes more.

Mr. Chairman (Sir Hari Singh Gour): The House will now adjourn to Half Past Two.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock. Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Diwan Bahadur A. Ramaswami Mudaliar: Mr. Chairman, just before the House rose for Lunch, I was dealing with the question of promotions to the various grades of those who had already been recruited for the service. I said that while considerations of communal representation might be applied to the initial recruitment, there should be no such considerations with reference to promotions and that it should be purely based on two considerations, seniority and merit. What amalgam must be made of these two considerations is a very vexed and difficult question which ought to be left to the judgment of the heads of the Department. But we see in this House that time after time there have been questions relating to the grievances of those who have been overlooked, superseded or wrongly demoted, to use the word of my Honourable friend, Sir Henry Gidney. Other countries have tried to solve this question and I should like to put before the Honourable the Commerce Member a suggestion based on the analogy of other countries. The Honourable the Commerce Member belongs to a very distinguished service and he knows that the idea of a competitive examination was first initiated with reference to the Indian Civil Service. In the year 1813, the Hailebury school was started and it was, on the basis of competition with Professors like Professor Malthus, that that school conducted its recruitment. In 1853, Lord Macaulay, the great Mr. Jowitt, afterwards the Master of Balliol, and other men devised a scheme whereby the present open competitive examination came into existence. While Great Britain has made strides since then, we are exactly where we were in the year 1853 with reference to promotions. It is sometimes suggested that an officer has not received his deserts and that he has been superseded owing to personal considerations of the head of the Department. In Great Britain this has been attempted to be

[Diwan Bahadur A. Ramaswami Mudaliar.]

solved by what is termed a Promotions Board, being appointed with reference to such promotions. This Promotions Board consists of an establishment officer, an officer of some other Department and generally the head of one of the sub-departments. This Board makes its recommendations to the head of the Department even with reference to promotions. I do not want any outside agency to interfere in this matter, but when it is largely a question of a single man judging of the merits with reference to promotion, the chances of abuse are not very small indeed. I venture to think that the time has come when the model of Great Britain should be copied in this country and, as far as possible, Promotions Boards be established so that it may be the decision of more than one person and not the mere fancies or the whims or the likes and dislikes of any single individual that will sway such promotions.

There has been a number of questions which have been asked by my friend, Mr. Maswood Ahmad, and various other Members with reference to the effect that the retrenchment proposals have had on the composition of various communities in the service. During the last five or six days, Mr. Chairman, you have been a witness to the number of questions that have been asked with reference to the effect that the retrenchment had particularly with regard to the Muslims in the services. I venture to think that that grievance would be also removed if the suggestion were adopted based again on English analogy of having some sort of Staff Councils (Whitley Councils as they have been called) which will be in a position to deal with these questions. My friend, Mr. Joshi, knows about this matter much more thoroughly than I do. If I have understood the English precedent aright, all those who get a salary of less than £700 a year belong to the class of Staff and for their benefit the Staff Council has been constituted, half of which is composed of officers above £700 who deal with the questions of promotions or grievances of services and half are elected by the persons who are affected. It is this joint Council that deals with such questions as retrenchment. So, whenever any grievances are put forward, it is this Staff Council that discusses the matter and comes to a settlement on the issues.

Mr. F. E. James (Madras: European): May I ask my Honourable friend if there are any such Promotions Boards in the Railways in Great Britain?

Diwan Bahadur A. Ramaswami Mudaliar: Railways in Great Britain are private-owned and private-managed; they are not State Railways. Naturally, therefore, there is no such thing, but I am talking of State-managed Railways and obviously considerations differ with reference to these Railways. My observations are not necessarily confined to the Railways and have a wider application to all services under the Government of India. The reason why I am placing these general observations and suggestions is that I want to get rid of these questions once for all. I, therefore, advocate a Promotions Board composed of officers of the department with reference to promotions and I advocate a sort of Whitley Staff Council to consider the grievances such as those that have been agitated with reference to retrenchment and particular members of particular communities being removed from office. If these suggestions are accepted and if, as I have said, a Public Service Commission is constituted for such a great service as the Railways, and if the rules for their recruitment and the lines on which such recruitment should be

done are laid down by the Government of India, again on the basis that I have suggested, I venture to think that the time of this House and the time of the future Assemblies will not be taken up by questions of the nature that we have had to deal with during the last four days. I would also venture to make a humble appeal to my friends whether they are Hindus, Mussalmans or Sikhs who have cumbered the pages of the agenda with innumerable questions on these subjects. Please remember, these questions are not going to do any good either to the members of the community or to the services as a whole. It was my friend, Dr. Ziauddin, who said the larger the number of questions that Mr. Maswood Ahmad put the smaller the result; the law of diminishing returns will begin to operate so far as the members recruited from that community are concerned. I think there is an element of truth in that. If the head of a Department is pestered day after day with questions on these matters and if care is not taken to see that the grievances that are ventilated in this House relate to real and specific matters, naturally the reaction on the service will be great. And what happens now? Every member of the service is in a demoralised state even if he has done his work properly. Therefore, it is not good for your services and it does not promote efficiency. At the same time, I venture to think that we should be careful also to see that conditions are so laid down that there will be no scope for Members to ask these questions in the Assembly. Then, probably the Chair may be able to regulate the admission of the questions in a better way than it has now been able to do because the forum for ventilating the grievances will be different. The Board or the organisation which will deal with these questions will be different and the Legislative Assembly or the future Federal House need not be cumbered with these matters.

Sir, I wish to make one final observation. It is a matter of peculiar good fortune, as I consider it, that the Honourable Sir Joseph Bhore is in charge of this particular Department at present. (Hear, hear.) He is neither a Hindu nor a Mussalman, and I venture to think that he commands the confidence of every section of the House whether it is Hindu, Mussalman, Christian or Sikh. (Hear, hear.) It may, therefore, be his proud privilege to put forward proposals which will so deal with this question that the necessity for an agitation over this question may disappear. I know that here and there in the least responsible section of the press attacks have already appeared about my Honourable friend—attacks which are baseless, which are absolutely without foundation and which no Member of this House would support for a moment as being either just or fair. I need not defend the Honourable Sir Joseph Bhore. His career and his distinguished conduct are answers against such attacks. I do not want to give greater publicity to the journal which dealt with this matter by referring to it specifically on the floor of the House. I, therefore, repeat that he has got the absolute confidence of every section of this House to deal with this matter equitably and justly.

Now, Sir, the future constitution is before us; it is coming whether we like it completely or in parts or whether we do not like it at all. Opportunities for the expression of Indian opinion and for carrying out that opinion will be greater than it ever will be. Many of my friends are complaining of safeguards which have been accepted here and there. I do not venture to express an opinion on those safeguards on this occasion, but I venture to state one thing—that if this question is removed out of the way, if a solution is found for this

[Diwan Bahadur A. Ramaswami Mudaliar.]

communal problem, if the various communities are satisfied, if what they feel to be their just claims and what they put forward as their grievances are met and remedied, I venture to think that none of us need trouble ourselves about safeguards or special powers of the Governor or of the Governor General. Therein lies the work of nationalism and to that great work of nationalism I apostrophise my Honourable friend, Sir Joseph Bhore, to address himself to. There have been many men who have worked for the promotion of the material and moral benefit of this country; there have been many more who have worked for the constitutional progress of our motherland. The Indian National Congress has done it; the Round Table Conference delegates, much as they have been maligned in some quarters, have attempted to do it. But I venture to say that none would have done a greater national task, none would have achieved greater constitutional progress for this country, none would have laid the foundations of a united India and of that Swaraj which is our hope, than my Honourable friend, Sir Joseph Bhore, when he addresses himself, as I am sure he will, to the question that I have raised and to the line of progress that I have indicated with reference to the solution of this question. Sir, I have done.

Mr. C. S. Ranga Iyer: Sir, I shall begin where the Honourable the Deputy Leader of the Independent Party concluded. When he apostrophised or expected some one in this House on the Treasury Benches to apostrophise, I was reminded of some Miltonic expression which is almost unpronounceable, an apocalypst. Sir, here is an Honourable gentleman who was just referring to some attacks in the newspapers and trying to curry favour with the Treasury Benches. (Laughter.) Here is an Honourable gentleman who was referring to attacks in the newspapers and supplying ammunition for a renewed attack and a renewed campaign by making impossible and preposterous demands. He calls upon the Honourable the Commerce Member, whom he flatters as the angel of nationalism who will hold the balance even, and tells him, "You must do this, you must do that and you must do the other thing; you must in short give a new communal award to the services and then you will be a ministering angel; flowers will be thrown upon you all over the land; there will be processions singing 'Sir Joseph Bhore Sahibki jay!'" (Laughter.) Sir, I cannot understand the Honourable Member assuming the wisdom of the wily crocodile. The crocodile of the fable, it is said, sheds tears when it devours its victims; and here is an Honourable gentleman who invites the Commerce Member to open in the first place a communal board under the garb of a service board and in the second place a communal Public Services Commission to go into the question anew of the appointment of certain communal groups in the services. And he says: "You are, Sir, a wonderful man; you are not a Hindu, you are not even a Muslim",—I suppose that is what that newspaper wrote,—"You are a Christian". And then that newspaper showered not encomiums, but vituperation. This gentleman asks him to do all these things. Then Sir Joseph Bhore will go down in history as the great master builder of India. I do not want to attract Sir Joseph Bhore with these false pretensions, I do not want to flatter him as commanding the confidence of this House, because on not a single motion has he been defeated in this Session.

An Honourable Member: How is all this relevant?

Mr. C. S. Ranga Iyer: It is relevant by way of reply; I did not make the original speech. Repeatedly I rose to a point of order, but the House was drenched by ideas of the Round Table, a Round Tabler going round and round the rugged rock of constitutionalism. (Laughter.) He said there will be a reaction in the services if you do not do this and do that and do the other thing. But he forgot that if the Honourable the Commerce Member were to swallow all his indigestible suggestions, the reaction in the country will be increased a hundredfold. He assumed the attitude and played the role of a friend of the Muslims. I hope, when I conclude, they will not decry me as their enemy. I do not hate the Muslims, but I must say in all frankness that I love my community to the same extent as my friend over there, Sir Henry Gidney, loves his community. I am not here to throw stones at Sir Henry Gidney or, for that matter, at the Muslim Members, but I must answer some of the most extraordinary suggestions emanating from a Round Tabler of all people.

In the first place, he said that the Honourable Sir Joseph Bhore should have Great Britain as his model. I know Britain is on the brains of these gentlemen who have just returned from their joy trips. (Laughter.) But I must remind them that this is India and not Britain. He said that in Canada,—though he had not the opportunity to go to Canada recently,—there was communal representation in the services. Bhai Parma Nand, who, I believe, will not take part in this debate, for he wants others to have their say, and very rightly, put a very innocent question to the Diwan Bahadur: "What is your authority?" He said: "Take it from me; I know history, and am I not an authority? When I say that this is so, none dare dispute my facts." But what about his model country of Great Britain? There were also Jews a hundred years ago suffering from disabilities which were removed by a Parliamentary Statute. There were also Catholics and Protestants who, history records,—he asked us to go into history,—who, history records, fought like the inhabitants of Kilkenny. But there was never in Great Britain any communal representation in the services. I would ask him to read books, I have got a large number of them here and I can make a present of them to him. I do not want to quote, but I want him to read those books and to lecture to us

An Honourable Member: What are those books?

Mr. C. S. Ranga Iyer: Books on Constitution (Laughter), books in regard to the constitutional development and the growth of the services. My knowledge, I admit, is poor, but I never read of that model country, Great Britain, having introduced the communal virus into the services. So much for his model country. There are other countries also, model countries and though not so small like the United Kingdom, very much resembling ours, the United States of America, and if he reads all about the United States of America which resembles this country much more than Canada does, he will find that in the United States of America there are 19 conflicting races, but it has been the policy of the United States to assimilate these races into a harmonious whole, not by introducing separatism in the services which has already, I admit, been introduced, much less by fanning the flame as the Honourable gentleman has done in the Presidency of Madras, by introducing that wretched system of rotation.

Mr. Uppi Saheb Bahadur (West Coast and Nilgiris: Muhammadan): Did not the Aiyars create Ramaswami Mudaliars?

Mr. C. S. Ranga Iyer: My Honourable friend comes from Malabar and he represents the very energetic community of the Moplas and I welcome his energetic interruption.

Bhai Parma Nand: Mr. Ramaswami Mudaliar in his turn is now afraid of a similar awakening in the depressed classes of Madras.

Mr. C. S. Ranga Iyer: Well, I was about to answer my friend from Malabar, but my Honourable friend from the Punjab has completely vanquished him. I do not propose like my Honourable friend over there, Bhai Parma Nand, who, I know, can look after himself, to measure swords with the Moplahs of Malabar, a great and honoured community who too have looked after themselves on historic occasions. I shall deal with the Deputy Leader of the Independent Party, supporter of the Non-Brahmin Movement in Madras, who says: "Sir, you are a great man, but you will be a greater man if only you become like myself a frog in the well and exchange your All-India for the provincial outlook". He wants you to introduce this rotation system—it rotates and rotates—(Laughter) increasing the mischief regularly developing an atmosphere of tension, which I do not want the Mussalmans of India to adopt. Let them not vitiate the existing situation by adopting an impossible and stupid system discredited in Madras and inapplicable to the whole country. I do not want them to walk deeper and deeper into the mire. The Mussalmans are entitled to have their legitimate grievances redressed. I have not stood against them in the past. I also contributed my share to bring about the Lucknow Pact editing a newspaper at the time in Lucknow which supported it, and in my capacity as a member of one of those Committees in those distant days hoping it would end the separatist spirit and demands. I warn the Muslims against being tempted by a snake charmer today, not being snakes themselves. They are wise people, good men who want to improve their status in the society, but here is a gentleman who assumes the role of a snake charmer. He says: "I will charm you. You rotate like the snakes (Laughter) in that rotation system", but the Mussalmans are not snakes to go round and round. They may have their grievances and none more than Sir Joseph Bhore, Sir Brojendra Mitter and Sir Fazl-i-Husain, honoured Members of the Viceroy's Executive Council, have devoted their attention to this question anxiously discussing the matter and trying to solve it. Why increase their difficulties? Mr. Maswood Ahmad assumed the attitude of a humble man requesting the Government to give a little more attention to that matter. I say, while devoting the attention to the Mussalman, for Goodness' sake do not do injustice to my community: justice to Mussalmans must not mean injustice to the Hindus. (Applause.) That is all. I want that the majority must not be reduced to a minority, and I know that no body, who is sane, even among the Mussalmans, wants it. They are reasonable. They do not want to rotate and rotate. (Laughter.) They do not want a snake charmer's music in this matter. Here is a Round Tabler who comes and tells us "Introduce a Promotions Board and a Demotions Board". Promotion, or demotion, surely a Round Tabler ought to have known that this was no place for it. The whole constitution is in the melting pot. If he could not tackle them across the seas, it is utterly—I will not say impertinent, but—inappropriate for the

Honourable gentleman to come and tell Sir Joseph Bhore: "You do this, you do that. You anticipate a new constitution, and you will become a Messiah, an angel, and flowers will be showered upon you". Ridiculous kind of sophistry to which this House was never treated before.

Mr. Mudaliar, started by attempting to make worse the communal atmosphere in this House. He said: "I stand up as the Messiah of the Mussalmans" as if we are here ready to eat up the Mussalmans. We want justice. Give unto the Mussalmans their due, but do not take away from the Hindus what is their due. There are other communities and there are other classes. For all Departments and services, strike an even balance, then nobody will condemn you, but do not force the pace of communalism in the railway services in the guise of placating a minority. I will tell the Honourable the Mover, by all means take your due in good time, taking all services together. I do not quarrel with the Mussalmans, but I have every quarrel with an instigator of a riot in this House. And then he said "merit must have consideration". That is the view of even His Highness the Aga Khan, but after saying that, merit must have consideration, he said that there must be a rotation of merit—wheel of charm. (Laughter.) Then he quoted Bhai Parma Nand. Presently he declared that he was speaking here for 40 million brethren in the Madras Presidency! May I know, who are those 40 million brethren for whom he talks? The Honourable gentleman has no answer to give. That shows that he was pretending. He denied the authority to Bhai Parma Nand to talk for the people whom he represented, who talked for his constituents in the Punjab, though he has an All-India position. But here is a gentleman who assumes the role of speaking for 40 million brethren of his without mentioning who they are and what percentage he has recommended for them in his rotatory scheme in Madras and how many of them have been shown justice? These non-Brahmin leaders of Madras have separated themselves into an ugly clique of disgruntled politicians who have deprived millions of depressed classes of their just dues. Sir, in the deepest deep there is a deeper deep. (Laughter.) The Honourable gentleman should have gone to the Madras Presidency and introduced that rotatory system for the millions of dumb people for whom he pretended to speak. I want him to act.

Mr. Uppi Saheb Bahadur: He has already done it.

Mr. C. S. Ranga Iyer: My friend from Malabar says he has done it. Yes, by way of oratorical speech today. He said there was a communal representation in South Africa and in Canada, but he refused to tell us what was the percentage that each community got over there. He has read his history wrongly or he has no facts before him. Until he produces his facts, I will reserve my comments. Then he said, we were talking from "a vantage position". What did he mean by a vantage position and what did he mean by "we"? What did he mean when he arrogated to himself the position of a representative of 40 million people. Sir, I have listened to several debates in the House of Commons, I have not yet heard a leader of the House of Commons saying that he represented even 10 million people.

And then he spoke about the way to Nationalism. The way to Nationalism does not lie through the blind alley of communalism. He

[Mr. C. S. Ranga Iyer.]

said, let us think nationally, but he forgot that he was acting communally.

3 P.M. I need only mention that this question of communal representation in the services, to which I am opposed, and have always been opposed, will be opposed by my Muslim friends in the near future, because they will understand from their own experience, having got what they want, that communalism will not be to the good of the community—that was the view held by great Muslims like Maulana Muhammad Ali; and personally I repeat my faith that nationalism is the only way: I do not want to attack their demand for communal rights, but will resist every communal wrong to my people. While repeating my faith in nationalism, I hope this faith that I am repeating today will be shared by them in the not distant future. As it was truly said by Lord Donoughmore in his report about Ceylon:

“It is generally agreed that communal representation is least desirable when on a religious basis. The main ground on which the claim for this representation is made is that certain laws and customs of the Muslims based on their religion differ from those of the larger communities and disabilities in these matters might be imposed by people in the absence of Muslim advocates and Muslim spokesmen. . . . It is interesting to note that the disintegrating effect of communal representation on the community itself is illustrated by the case of Muslims in Ceylon.”

In this particular case the Honourable gentleman for Madras was trying to develop a communal electorate even in the services by the rotatory system:

“Their merging in the general electorate will link them up more definitely with the other communities of Ceylon as an element in a population which, though diverse in character, has yet a common country and who possess a common national consciousness.”

The Donoughmore Committee went on to say:

“It is our opinion, however, that the very existence of communal representation tends to prevent the development of national relations and that only by its abolition will it be possible for the various diverse communities to develop together a true national unity.”

That being so, I will ask my Muslim friends not to support a rotatory system, because that will naturally create mischief. They have had communal representation in the services; they want more representation; the principle is no longer in dispute; but the vicious programme of rotation has been advocated today and I would warn them against its acceptance

Mr. M. Maswood Ahmad: Can you suggest a better method?

Mr. C. S. Ranga Iyer: If the Honourable Member will walk with me into the lobby instead of making this the platform for washing the communal points, if he does not want that I should convert this House into a laundry of communalism

Sir Muhammad Yakub: He did walk with you at Lucknow and Allahabad two months ago, and he has seen the result.

Mr. C. S. Ranga Iyer: My Honourable friend knows that I did not go to Allahabad; and he ought to know that I did not go to Lucknow and, therefore, much as I would like to show a respectful hearing to my Honourable friend, Sir Muhammad Yakub, I want to correct him when I say that I neither went to Allahabad nor to Lucknow.

Sir Muhammad Yakub: I know that my Honourable friend has no position either in his own community or among the Muslims: he could not go therefore. (Laughter.)

Mr. C. S. Ranga Iyer: My Honourable friend is acquiring a position in his own community by indulging in vituperation against my community. (Laughter.)

Sir Muhammad Yakub: I copy my friend.

Mr. C. S. Ranga Iyer: My Honourable friend ought to know that I represent and have represented repeatedly, in spite of opposition, a constituency which has a Hindu electorate; and until I am ousted from that position, I will ask him to suspend his judgment. I am representing not the constituency of my Honourable friend over there from Aligarh (pointing to Dr. Ziauddin Ahmad), a Muslim constituency, but a Hindu constituency

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): I represent Aligarh, not he.

Mr. C. S. Ranga Iyer: I welcome that sense of humour which the leader of the United India Party has introduced in this debate by way of pleasant contradiction. I am a little bit surprised that my friend, Sir Muhammad Yakub, arrogates to me a non-representative capacity in my own community. . . . Possibly he would be right in future if he had subscribed to the doctrine preached at Allahabad and at Lucknow of joint electorates: then, it would not have been possible to find out how many Muslims I represent. At present, the joint electorate not having been introduced and I having repeatedly held the fort for three continuous Assemblies, I humbly claim that I have as great an authority to speak for my community as he has for his—I shall not go so low as to deny his representative capacity in this House, for I want to deal with matters in a Parliamentary manner as we are all aspiring for Parliamentary institutions. I am capable of dealing with my friend in a personal manner, but I do not do so (Laughter), unless there is provocation.

I was quoting—and perhaps the quotation was a little too much for the Honourable Member—Lord Donoughmore's observations in regard to rampant communalism which is advocated by Mr. Mudaliar. If nationality has been developed in Canada, if nationality has been developed in South Africa, if nationality has been developed in the United States of America, it is not by introducing and aggravating this curse of communalism; but by avoiding it. I would ask the Honourable Member for the Railways not to walk into the trap that an Honourable gentleman from the Opposition Benches spreads before him. I would ask the Honourable the Railway Member to keep before his mind the example of the great countries which have achieved freedom and are working freedom. I do not want to throw away the freedom that is coming to us by walking into the trap that has been laid before us by the gentleman who has just concluded his speech.

[Mr. C. S. Ranga Iyer.]

Sir, this opinion is held by as high an authority as M. deMello Franco who, speaking in the League of Nations, said:

"The introduction into the laws of countries of provisions protecting minorities would be enough to cause them to spring up where they were least expected, to provoke unrest among them, to cause them to pose as having been sacrificed"—(a pose which the Honourable the Commerce Member must be familiar with by now even in this House)—"and generally to create an artificial agitation of which no one up to that moment dreamed. It would be rather like the imaginary illnesses from which so many people think themselves suffering the moment they read a book on popular medicine."

We have had books read to us by the previous speaker which were not on popular medicine: but on the Canadian constitution which excluded separate representation in regard to the communities in the services.

Sir, measuring swords with my Honourable friend from Burma who, with his usual clarity and eloquence, presented the case for this side of the House, the Honourable gentleman for Madras said, we were thinking communally. There was nothing communal in the speech that the Member from Burma delivered. He made a purely nationalistic speech, worthy of every good nationalist; he condemned the splitting up of the communities; he condemned the increasing cleavage which is sought for, by this motion, in the services. He said it will have a disastrous effect, because he was anxious that India and Burma should march together to the goal of national freedom, and not communal thralldom. And here is an Honourable gentleman from Madras, very clever at misrepresenting facts and equally clever in sugary perorations, contradicting his original statements,—here is an Honourable gentleman who has the audacity to misrepresent the very truly nationalistic speech of my friend from Burma. But having heard the Honourable Member from Burma, who so seldom speaks in this House, having listened to the very fine ideas which he has placed before this House, I do not think Honourable Members will expect me to labour this point further. As M. deMello Franco put it:

"It seems to be obvious that those who conceived this system of protection did not dream of creating within certain States a group of inhabitants who would regard themselves as permanently foreign to the general organization of the country. On the contrary they wished the elements of the population contained in such a group to enjoy a status of legal protection which might ensure respect for the inviolability of the person under all its aspects and which might gradually prepare....."

Mr. B. Sitaramaraju (Ganjam cum Vizagapatam: Non-Muhammadian Rural): May I ask the Honourable Member to tell us who this deMello Franco is?

Mr. C. S. Ranga Iyer: I would ask my Honourable friend to read the proceedings of the League of Nations.

Mr. B. Sitaramaraju: Is he also a crocodile?

Mr. C. S. Ranga Iyer: According to the famous Miltonic saying "not to know him argues thyself unknown".

"..... and which might gradually prepare the very conditions necessary for the establishment of complete national unity."

Sir, I am very anxious for the establishment of complete national unity. Throughout my speech I have abstained from making any remarks on any Member of any other community except my own. I am answering the speech of a Member of my community who chooses to represent 40

millions of people, and, in answer to his speech, I say that the only way to destroy complete national amity is to intensify this canker of communalism in the services. Once this motion is agreed to, there will be no peace in the communities. It is bad enough for politicians to quarrel, whether at Allahabad or Lucknow or on the floor of this House, but it will be very much worse if you carry the quarrel into the services.

Sir, any one who has studied the working of constitutions and institutions in lands that are free knows that freedom has been retained and sustained by avoiding the spirit of quarrelsome communalism within the services. Our speeches on the floor of this House are being heard on the galleries, overheard outside by the people in the services. Day after day we are putting questions in the House as to how many Hindus or, for that matter, how many Muslims or, for that matter, how many members of some other community are there in the services and so forth and so on. I do hope, whatever the new constitution may be, it will not tolerate or permit this practice. It must be possible, Sir, as in France, whose railway system is worth studying, to take the day to day details with the consent of the House to another body like the Superior Advisory Council or the Supreme Advisory Council in France. Speaking from recollection, Sir, I believe that Council has 60 members. 30 Members are drawn from the French Parliament, 15 members are drawn from the ministerial staff and 15 members are drawn from the railways concerned. Not Canada, but France resembles India so far as the State-management of Railways is concerned. I want all Railways to be State-managed, but that will be beside the point to discuss at present, but in view of the State-management of the Railways and in view also of the agonising questions as to how many Hindus or how many Muslims or how many members of some other community in this Department or that Department have been entertained, I think the time has come to take that away to another body to be created by this House or its successor. I say its successor, because I am not going to present to the Honourable Sir Joseph Bore greater activities in the shape of fresh constitution making, appointment of promotion and demotion boards and rotation committees and so on and so forth. Sir, this great authority, who spoke at the League of Nations, said:

"We must avoid creating a State within a State, and if the services are to be treated to that rotatory system, then that will be a community within a community, and if that is created, what will be the result. (The result will be chaos and intolerance among the members of the services themselves.) We must prevent the minority from transforming itself into a privileged caste."

In this country of caste systems let us not make matters worse, and taking definite form as a foreign group under the rotatory system instead of becoming fused in the society in which it lives. To pursue the quotation:

"If we take the exaggerated conception of autonomy of minorities to the last extreme, these minorities will become disruptive elements in the State and a source of national disorganization. The decision has been taken, not only to protect, as before, individuals considered separately, but to a certain extent to attribute rights to minorities regarded as collective entities."

He further went on to say:

"If equality of treatment of all the inhabitants of the country is an element of political and social peace, the recognition of rights belonging to minorities as separate entities, by increasing their coherence and developing among them a sense of their own strength, may provoke them to separate themselves from the State of which they form part; and, in view of the right of peoples to dispose of themselves, the recognition of the rights of these minorities runs the risk of leading to the disruption of States."

[Mr. C. S. Ranga Iyer.]

Sir, we are on the threshold of a great future. We want a great self-governing Constitution. We not only want it, but we are anxious to work it. We do not want that you, Sir, should, during your term of office, increase the difficulties of the people. We do not want, Sir, that you should go down in history as one who created this communal cleavage, who intensified it, who fanned it into a flame to destroy the Constitution itself. If you do that, Sir, future generations will condemn that one who stood out before for the unification of the communities should have now condemned the communities to quarrelsome communalism. I hope and trust that you will not walk into the trap for intensifying communalism which we condemn with all our enthusiasm and with all our emphasis. If you accept the advice that has been given to you today, Sir, the result will be that you will bury in the bowels of the earth the future Constitution itself. Why complicate matters? Why not leave the future in the hands of the future itself? Honourable men, who will meet here and elsewhere, Members of the official block eliminated,—will be able to settle the question for themselves. I am not impatient not to wait for two years, having waited all these years. Why hurry matters over which you should not have control and should not aspire to have control? The future is in the lap of the Constitution which the Honourable gentleman, who had just concluded his speech, has had sufficient opportunity to shape. Now, he comes here and says "Strike and make the metal hot". I would rather ask the Commerce Member to wait, for we shall strike when the iron is hot. (An Honourable Member: "Who is this gentleman?") Sir, my Honourable friend over there inquired, who is this gentleman.

Mr. B. Sitaramaraju: I want to know whether he is the man who was kicked out of Spain for rioting in the Spanish Revolution?

Mr. C. S. Ranga Iyer: I do not read revolutionary literature. I have no time to read revolutionary literature, but if the Honourable gentleman thinks that he has had a hand in kicking him out of Spain just as his cousin from Madras, representing 40 million people, well, he is entitled to that claim. But deMello Franco, whether he was kicked out or not, had the support of Sir Austen Chamberlain. Sir Austen Chamberlain associated himself with this authority

Mr. B. Sitaramaraju: May I ask the Honourable Member how I could have had a hand in kicking him out?

Mr. C. S. Ranga Iyer: I want the Honourable gentleman to withdraw that remark.

Mr. Chairman (Sir Hari Singh Gour): I think the Honourable Member transgressed the Parliamentary etiquette.

Mr. B. Sitaramaraju: May I explain my position? The Honourable gentleman said that I had a hand in kicking him out and I asked him how I could have had a hand in kicking him out.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Kicked with hands.

Mr. C. S. Ranga Iyer: As Mr. Amar Nath Dutt says: "kicked with hands". I congratulate him (Mr. Raju) for speaking like the Delphic oracle. I do not want his head on a charger. I was referring to Sir Austen Chamberlain associating himself with that great authority who got on their nerves. (Laughter.) I myself like the idea of having supplied some opportunity to laugh for Honourable gentlemen. I wish that from the plane of furious and frenzied communalism we could come down to the plane of jovial laughter and, if I have supplied that opportunity, I am glad. From the heat which was attempted to be imported into this debate, not by a Mussalman, but by the previous speaker, if I have succeeded in creating a lighter vein, I am glad that I have achieved my object. We can discuss questions even in regard to representation in the services without increasing our present difficulties and if I succeed in discussing this thing humorously, imparting more light than heat, without assuming the role of a snake charmer, that is some achievement.

Sir, I was referring to the Donoughmore report. I shall today refer to what the late Edwin Montagu, the maker of the new constitution, had to say about this inordinate desire of a few to feed the flame of communalism. The late Edwin Montagu said after careful review of the conditions prevailing in other countries: "We conclude unhesitatingly that the history of self-government among the nations who developed it and spread it throughout the world is decisively against the admission by the State of any divided allegiance". If I do not subscribe to the ideas that have been presented by the previous speaker, if I oppose the motion before this House which was responsible for that speech, it is because I do not want a divided allegiance in the services. If my Honourable friends cannot talk nationally, if they cannot act rationally, if they must aggravate communalism, let them by all means do so, but I shall not be responsible for encouraging them—(pointing to the Independent Party Benches) laugh as they may laugh, the loud laugh that speaks the vacant mind. Sir, the late Edwin Montagu observed in his report that he was opposed to the State doing anything which encourages the citizens to think of themselves as a smaller unit than the State itself. Sir, the danger of aggravating communalism in the services is real. It will create a set of people who will primarily think of themselves as different from the State. Representing as I do a Hindu constituency, I cannot support it. I know the feelings of the nationalists among the Hindus whom I represent. I would be untrue to my constituents if I stood up on the floor of this House and supported this motion advocating extended communalism in the services, turning the services into communal compartments, so that the communities will work against each other and the constitution of the future will go to rack and ruin. It is not always that one can give advice that one wants to give. I can only speak out my mind, not for 40 million people, but for my humble constituents of nine districts in the United Provinces which I have had the opportunity of representing for over nine years in this House, whose views I have had the opportunity of reporting to this House for three continuous assemblies and, speaking for them, I say, that I share the view of the late Edwin Montagu and the warning which he conveyed in these words:

"A minority which is given special representation owing to its weak and backward state is positively encouraged to settle down into a feeling of satisfied security. It is under no inducement to educate and to strive to make good the ground which it has lost compared with the stronger majority."

[Mr. C. S. Ranga Iyer.]

That, Sir, is the danger of this motion. You are going to lull a minority into a sense of satisfied security. There is a greater danger in the suggestion made by Diwan Bahadur Ramaswami Mudaliar. The danger lies in the fact that this motion proposes to lull a minority into this false sense of security. As Edwin Montagu pointed out, if on the other hand you don't encourage them, a great deal too much in the way in which the Mover did, then it will be good for the community itself and for the nation. If this motion is not rejected, as the late Edwin Montagu, said:

"the latter (namely, the stronger majority) will be tempted to feel that they have done all they need do for their weaker fellow-countrymen and that they are free to use their power for their own purposes. The give-and-take, which is the essence of political life, will be lacking"

in the services themselves if the methods that are suggested and the ideas that are put forward are endorsed and accepted by the Government.

"There is no inducement to the one side",

as Mr. Montagu, said:

"to forbear or to the other to exert itself. The communal system stereotypes existing relations. We regard any system of communal electorates, therefore, as a very serious hindrance to the development of the self-governing principle".

Much more so communalism in the services as contemplated by this "cut".

We condemn, Sir, the principle that was suggested by the Honourable gentleman who spoke before me, because it would vitiate the principle of self-government itself.

Mr. Amar Nath Dutt: He has fled.

Mr. C. S. Ranga Iyer: As my friend, Mr. Amar Nath Dutt, with his usual sense of humour, said, Sir, he has fled. If Honourable Members fly on migrant wings, after having delivered a strong onslaught upon the views and opinions of others, I do not deny them their joy. Sir, representing as you do the views of my Party, of which you are the esteemed Leader, you did not mince matters as a representative of my community; and writing on this question, you observed in a historic Report that the claim of the Mussalmans to a share in the Cabinet appointments or in the services on communal grounds must be repelled as "a political heresy". You said: "it is a political heresy to prompt a backward community to rule or materially influence the policy of an advanced community". I must place on record, Sir, these pregnant words embodying your own views in this matter as you are the Leader of my Party. (Hear, hear.) I wish, in conclusion, that the Honourable the Deputy Leader of the Independent Party had summed up his speech in the words uttered by H. H. the Aga Khan:

"It is impossible for Mussalmans to live happily and peacefully in India if friction and suspicion are to prevail between them and the Hindus".

That was one aspect of his speech which he did not develop as he preferred to plunge into those contentious suggestions which would make matters worse. I personally have every sympathy with the opinion of the esteemed Leader of the Mussalman community, H. H. the Aga Khan. The Government of India, by giving the representation that they have given to the

Mussalman community, have done homage to that great Mussalman Leader. Therefore, I do not want to take away from the Mussalmans what they have got, while I still adhere to my view that my community must retain its due, hoping as a nationalist that the Mussalmans, after they have had the communal experience which they are seeking, will come back to us. I shall only say, Sir, that you should not aggravate the situation by accepting this motion or acceding to the suggestions that my predecessor has made. (Applause.)

Lieut.-Colonel Sir Henry Gidney: Sir, I rise to take part in this debate, because I desire to support the motion before the House; and I support the motion in spite of the tirade against the Anglo-Indian community made in the speech of the Mover of this motion. Sir, I do not believe that, if one is smacked on one side of the face, he should offer the other to be smacked as I appear to be doing in supporting this motion, but in this case I wish to give every assistance to the Mover. I support this motion, Sir, not as a Hindu or a Muslim or as an alien of the hybrid or the domiciled variety. I do so, Sir, as a son of India, as a citizen of the country and as one who wants to help every other community to develop a spirit of nationalism out of this welter of communalism (Hear, hear), and with a desire ultimately to kill communalism

Mr. Amar Nath Dutt: You want to kill communalism by communalism.

Lieut.-Colonel Sir Henry Gidney: Sir, we have just listened to arial flights of oratory from the Deputy Leaders of the Independent and National Parties—one in the guise of a snake-charmer, my Honourable friend, Mr. Mudaliar, and the other in the guise of the snake that has been charmed, my friend, Mr. Ranga Iyer, who, if judged from his gyrations and rotatory movements and the heat he displayed in his speech, seems as if the snake-charmer has unearthed a snake from the National Party Benches. Or was it a mongoose that was charmed by the Diwan Bahadur which led to a fight between the snake and a mongoose? Sir, my Honourable friend, Mr. Ranga Iyer, did a great disservice to my Honourable friend, Diwan Bahadur Ramaswami Mudaliar, when he tried to belittle his achievements at the Round Table Conference. Sir, if any delegate rendered a solid and great contribution to the Round Table Conference, it was my friend, the Diwan Bahadur. (Hear, hear.) As a delegate myself, I can testify to his great achievements. One has only to read the proceedings of the Round Table Conference to see what the leading politicians of England and the British delegation have said about the Diwan Bahadur and you will bow your head in gratitude to the Diwan Bahadur for the great part he played. The future historian will, I am sure, adequately assess the Diwan Bahadur's great efforts for India and I regret Mr. Ranga Iyer should have undervalued his work. (Loud Applause.) Sir, after coming from these arial flights to terra firma, I support the motion, because I am a common sufferer with the Muslim community. (A voice: "A common sufferer?") Yes Sir, and I will tell you how and why. (Laughter.) Sir, we are both minority communities, but I think my friend, Mr. Maswood Ahmad, has forgotten the existence of a Pact called the "Minority Pact". He has clearly forgotten when he made his speech and derided my community. (Laughter.) Leaving that Pact aside, if I may, because, it is past history, Sir, it is said that one must be as

[Lieut.-Colonel Sir Henry Gidney.]

careful in the selection of his enemies as in the choice of his friends. In Mr. M. Ahmad I see not a friend, but an enemy. I hope I am wrong. I remember the year 1926-27 till when every Muslim Member in this House was silent as regards Muslim representation in the services and in the Railways in particular; and I think it was from this very seat that I had the pleasure of being the first Member to bring to the notice of Muslim Members regarding the paucity of their representations in the Railways. (Hear, hear.) My Honourable friend, Mr. Ghuznavi, will, I know, support me in this statement—I am glad he nods approval—but for a Muslim Member to now take advantage of that help and to launch an attack on my own community is not what I expected from a Muslim today. However, Sir, I pass that over as the penalty of public service. But it is strange that in representing his grievance Mr. M. Ahmad who, last year, attacked the Hindus, has completely altered his view and having made a left turn, delivers his attack this year against the Anglo-Indian community, not as the Anglo-Indian community, but calling me European *cum* Anglo-Indian community. Now, what sort of a hybrid community this is, I know not. I should like to know whether that is new hybrid or what it is. Whatever it is, I do believe that the joining up of the Anglo-Indian with the European in his comparison with Muslim representation is unfair to my community. (An Honourable Member: "Why do you sit with the European Group?") That is my business, I say. (Laughter.) Now, when you come to analyse communal representation in the superior grades, you will find that the Anglo-Indian community has not received its rightful share at all. Moreover, in view of the fact that no new appointments are being created on Railways today, I challenge anyone in this House or on the Railway Board to put his hand on his heart and conscientiously say whether it is a fact or not a fact that every appointment that is today given to an Indian is taken away from either a European or Anglo-Indian. In other words, we are daily being deprived of our appointments and yet we are considered Statutory Indians. I challenge any one to deny the truth of this statement. I ask my Indian friends, why this haste to replace us? Why don't you wait? Moreover, if the Honourable Member waits for the figures of 1933, he will then see with what meticulous care the Railway Board have protected the Muslim community on Railways based on Mr. Hassan's report, and with which evidently the Mover of this motion is not in agreement as far as Anglo-Indian employment is concerned, because Mr. Hassan has certainly sympathised with and supported the special claims of the community for employment on Railways. Let him wait for the report of 1933 for, I am sure, he will then find that the Muslims have got even more than what they have asked for and what the Mover is demanding in his motion.

Now, Sir, my friend made a great show of what should be the test of recruitment for Railway employment. He said he had a whole army of M. A.s, B. A.s, and B.Sc.s from Bihar no doubt whom he could produce for service on the Railways. Now, does my Honourable friend want an M. A. to drive an Engine and a B. A. to repair it? Sir, if we had an M. A. to drive an engine, you would soon have to add the letter "D" to it for he would soon go MAD and instead of attending to the regulator of his engine he would be reading "Paradise Lost" and this would end in his train being lost and Mr. Maswood Ahmad

would not be here today to move his motion or to show his emotion. Again, if you had a B. A. to repair an engine, you would have to put the letter "D" after it, for his work would be BAD. So, let us have no more nonsense about having M. A.s and B. A.s. What we want on Railways is brain and brawn, not academic degrees. What you want are good technical institutions in India for official training which India has been denied hitherto, and to be a good railway servant you must start when you are young and not wait till you get your M. A. or B. A. degree. Such persons prefer to sit under *punkhas* and drive quills in some office. Let our M. A.s or B. A.s join the Legislative Assembly and make speeches or become lawyers, but do not talk such nonsense about your M. A.s and B. A.s being drivers and mechanics and upper subordinates and which are the very jobs the Mover is objecting to Anglo-Indians holding, i.e., those from Rs. 200 per mensem and above upper subordinates. What we really want are technical schools such as we have in England. I say, Sir, that the reason why there is a demand for experts from other countries is that we have got no higher technical schools and colleges in India. Give us these and India will supply all her officials from her own country. We can certainly provide men from this country if we are given the opportunity for training them here. My Honourable friend, Sardar Sant Singh, in supporting this motion, talked about various communities having the monopoly of certain jobs and quoted the Anglo-Indians holding certain special jobs. I think he was quite right when he said that various communities hold monopolies of various special jobs. He said why should the European *cum* Anglo Indian have a majority of certain jobs, meaning of course upper subordinates as Drivers, Guards, etc. Let me ask him one question with all the kindness of heart for my friends from Madras. I ask Sardar Sant Singh why do Madrasis have a monopoly in the Audit and Accounts Departments? Why should Chinamen have a monopoly in the carpentry section of the carriage and wagon department at Lillooah? Again, will he tell me why should Gurkhas have a monopoly in the Watch and Ward Department? Why should he and the members of his Sikh community have a monopoly of the Army Department? We are just as martial as he is and why should we not be enlisted in the same way as he is in the Army? Are we and other fighting communities less martial than he is? But that is not the point, Sir. It is efficiency that we want and the efficiency does not lie in the fact of a man's being an M. A. and B. A., but in the knowledge of mechanism and technical skill. Produce these men with a certain degree of education, and I feel sure that the Railway Board will give the Muslims adequate employment. My friend, Diwan Bahadur Ramaswami Mudaliar, suggested to the Honourable Member in charge of Commerce and Railways a very reasonable and a very sound system, one that has worked very successfully in Madras called the rotatory system, in which each community has its chance annually. If there is one province in India that is devoid of communalism, it is the province of Madras and so far as the services are concerned, this is due to the introduction of this rotatory system some years ago. Let me tell Mr. Ranga Iyer that while he decried this system, he showed complete ignorance of it. After all, what did the Diwan Bahadur ask of the Honourable Member in charge of Railways? He suggested that till nationalism was really established and practised in India, there must be a transitional period and, as India is today unfortunately impregnated with communalism and you cannot get rid of it—indeed it will take years and years before

[Mr. Muhammad Yamin Khan.]

really beginning to think—and I am sorry if I am unduly accusing the Government of India—but I really am beginning to think that this is done with some object or policy behind it. I hope I am wrong. I make the statement with great hesitation. I am really beginning to think, Sir, that this is done with some definite policy or object behind it, and that object, it seems to me is this, that Government deliberately—not because of their incompetence or incapacity of realising or appreciating—I refuse to believe that—but they deliberately follow a policy which leaves a very great grievance on the part of the Mussalmans. There are unfortunately some Hindu friends of ours who look upon this question with great resentment, and who say that the Muhammadans are, day in and day out, clamouring for appointments in the services of the Government whether they are efficient or not."

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): On a point of order, Sir; is it in order to read a whole speech in this House?

Mr. Chairman (Sir Hari Singh Gour): Any Honourable Member is entitled to reinforce his argument by reading quotations and there is no limit to the length of the quotation that he may read. And, as there is no limit to the extent of the speech, the Chair is powerless to give any ruling on the lines suggested by the Honourable Member.

Mr. Muhammad Yamin Khan:

"The Government take advantage of that sentiment of the Hindus. In view of this sentiment the Government feel that, whenever the question comes up, the Hindus are more likely to stand up and take up this position that in the services nothing but pure merits should count, recruitment should be by competitive examination—in short, survival of the fittest. Government rely upon this attitude and feel sure that some will resort to this argument. Government, therefore, make use of all the sentiments, feelings and the opinions which are expressed, and know that, whenever the question comes up, the Hindus are not likely to support the Mussalmans, and that therefore the Mussalmans will be provoked, embittered, and thus estranged, they will look to Government for favours and so then steps in the Government and goes on with sweet words and occasionally throws a few crumbs with the definite object that there may not be any good understanding arrived at between the Hindus and the Muhammadans."

This is the speech made by Mr. Jinnah on the 24th February, 1930, and further on he asked his Hindu friends not to estrange the feelings of the Mussalmans on this question, because he was sure that whatever they might be trying to do would be fruitless. I have seen for many years this question of the Mussalman percentage is being dealt with on the floor of this House and we have wasted on this Railway Budget three or four days of the public time. The same went on in 1930 and the same comes in 1933 and it was exactly the same in 1924. What is the good—no good has been achieved. However much the Mussalmans may clamour—and they will go on clamouring if they choose to do so—they will never get their object. The percentage of Muhammadan representation wanted by my Muhammadan friends will not come within five or six years, while on the other hand the percentage has been reduced to decimal something within the last seven years. Therefore, what can you expect to get in the life of the present Legislature? It is no use clamouring for it.

Then, I come to the question of efficiency. Some Honourable Members said efficiency was the test which had been put by the Government. That is a wrong test, it can never be a right test. The people who are efficient

may be made inefficient. If one chooses to call a man efficient, he will be efficient, if one chooses to call him inefficient, he will be inefficient. It has always been found that a particular job the recruitment to which may be confined to a particular test has been filled by people who are not up to the mark, and, in this way, qualified men, more efficient men, do not get their chances, they are not allowed to enter into any particular service, although they may be qualified. So the test question is absolutely ridiculous. In my province, the United Provinces, when the Reforms came, we had some very good leaders, the Raja of Mahmudabad, Pandit Jagat Narayan and Mr. Chintamani, with Sir Harcourt Butler as Governor. These four gentlemen sat down to devise means, as they knew that, when the Reforms came, they would have to feel the pulse of the people in the Provincial Council in regard to the appointments of different communities and they wanted to settle the question once for all in advance, and at that time there was nobody who raised any objection to the settlement. They decided that out of the 12 appointments, three would be reserved for appointment by the Governor, and, in order to redress inequalities in the communal representation, it was decided that out of the nine three should be reserved for competition by Mussalmans and the remaining six for competition among Non-Mussalmans. It was also decided to reserve $\frac{1}{4}$ of the posts by nomination for the sons of men belonging to respectable families who have rendered services to the Government for centuries, but who may not be successful in competitive examinations. Thus the claims of all classes were sought to be satisfied. The Governor nominates men of certain classes although they may not be able to pass examinations.

I do not know what has happened in Madras actually. I think Mr. Mudaliar may be able to speak on this point. In my opinion, this question must be settled once for all between the Hindus and the Muhammadans, I am one of those who—I do not say about the other Members—would say "do not give a single job to a Mussalman, if my Hindu brethren so desire". I think the Mussalmans should also learn how to enter trade and commerce instead of looking up to Government for Government jobs merely, and they should enter into commerce and other business which they have up to now despised. But I shall have no objection to a proper understanding being arrived at between the communities so that this question may be settled once for all. For instance, if there is a competition between a Hindu and a Hindu, and between a Muhammadan and a Muhammadan, no communal jealousy will be created, I have no fear about my election in my constituency from Hindus as no Hindu might interfere with me. There will be no heat generated into the constituencies in the matter, as everything is settled and cut and dried. Everybody knows where he stands. About the proportion, the proportion must be filled out of the best men of each community. I cannot believe for a moment that the Hindus are inefficient or the Mussalmans are inefficient or the Englishmen are inefficient. Everybody is efficient. Unfortunately, we have got at present communalism in this country. A beginning should be made for the settlement of this question among all Indian politicians. Some say "Do not give the jobs to the Europeans". Why should the Europeans come in? That is the seed of communalism. When you wanted to deprive the Europeans, who monopolised a particular job, you said that they should be debarred from entering, although it may be in open competition in the I.C.S. examination that they stand very high, more than forty per cent—

Mr. O. S. Ranga Iyer: May I ask the Honourable gentleman if he will agree with the suggestion that both Hindus and Muslims will withdraw from the services leaving it in the hands of the Europeans?

Mr. Muhammad Yamin Khan: I merely said that the question arose from that. The present arrangement is that they should not get more than 40 per cent. in the I.C.S. and there the principle was laid down of discrimination between Europeans and Indians. We have it also in the Legislatures and Executive Councils—that there should be so many seats reserved for Indians and so many for the Europeans. That is the position today and we cannot help it. We have the European Benches here who come up by the votes of Europeans: no Indian has got a voice in returning any of those Members. Therefore, there is discrimination already.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Have a joint electorate and remove discrimination.

Mr. Muhammad Yamin Khan: My friend may be pleased to say what he likes—it is something which even Plato did not dream of. We stand on practical ground and we want to see what India wants today—not what India will be in future. I am one of those who supported your Bill, Sir, for intermarriages in the very beginning. I made speech after speech that the only remedy lay in intermarriages between Hindus and Muslims and then there will be fusion of communities. If the example, that the great nation-builder, Akbar the Great, laid down, had been followed, we would today have a different state of affairs. But is it practical? You may desire it and I may support you; but will the House support you? You did not have the support of the House even on this question. We are having the temple entry issue: one side is asking for the Temple Entry Bill and another side is saying "No Temple Entry Bill".

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): If there is joint electorate, there will be no opposition to any temple entry.

Mr. O. S. Ranga Iyer: May I ask the Honourable gentleman, where is that Utopia whose angelic denizens never differ amongst themselves?

Mr. Muhammad Yamin Khan: I do not like to deal with that question in the limited time at my disposal. I merely say this: that as long as we do not gain our object of nationalism, as long as we remain in water-tight compartments, as long as we have got communalism in different spheres, we must find a solution how best to live with the greatest peace. We must give and take and we must devise means to see how this thing may die down, and not how to increase it. It will never die down by one community objecting to what the other does. It will die a natural death only if we see that we do not interfere with each other and, at the same time, look forward to some other goal which we may have in view. That is the only object that we must strive to achieve and that can only be done by full understanding between ourselves. That understanding must be arrived at first. I shall wait for the reply of my Honourable friend. I do not think it will be advisable for us even to challenge a division on this question—I do not think it is worth going into the lobbies over this; but I have shown that there is a great deal of justification for the motion. The Honourable Member in charge is an Indian who has got

every sympathy with Indians and he is looking forward to the progress of the country which is now on the eve of the new reforms: he must find out something which may last for some time and which would be considered by the communities as something on which they can rest in peace and which would not hamper them and make them clamour as they have been doing in the past.

Mr. C. P. Colvin (Government of India: Nominated Official): With your permission, Sir, I should like to give certain information regarding the subject of the motion now before the House as I wish to try and remove any misapprehension that may have been caused by the speech of my Honourable friend, Mr. Maswood Ahmad, as to the action taken by the Railway Board and by Railways in connection with the representation of Muslims in railway services.

Special action for the representation of minority communities was first taken in 1925 and the Railways were then instructed that one-third of all appointments should be reserved for minority communities. In 1932, the Muslim proportion of all staff on Railways was 21½ per cent. It varies very much on different Railways—from five per cent. on the South Indian Railway to 54 per cent. on the North Western; and, while the percentage of Muslims in the total staff of Railways is perhaps not very inadequate, it must be remembered that the greater portion of this representation are employed in what are known as inferior posts, posts held by labourers, workshop hands and the inferior servants at the stations. In the better paid posts, which are known as the subordinate posts, the proportion of Muslims is no doubt smaller than 21½ per cent.—exactly what it is, I am afraid, I do not know: we have the information which was given to us in Mr. Hassan's Report so far as the four State-managed Railways were concerned—it was 17½ per cent. in the subordinate services. On other than State-managed Railways, the proportion will certainly be less than 17½ per cent. We will be safe to assume that it is not more than 17 per cent., and probably it is nearer 12. The Railway Board feel that the representation of Muslims in the subordinate services is inadequate and that special steps should be taken to try and improve it. Mr. Hassan in his report recommended that a certain percentage should be fixed on certain Railways. The Railway Board have formulated proposals in support of their view that Muslims are not adequately represented in the subordinate services, and those proposals are now under the consideration of Government. It is hoped that it will be possible to make a fairly early announcement of the action to be taken. The Railway Board, before making any announcement, propose to discuss it with the Central Advisory Council for Railways. The Honourable Mr. Maswood Ahmad drew attention to the delay that has taken place in dealing with Mr. Hassan's report. Admittedly there has been delay; nevertheless, I think it has had no actual effect because, owing to retrenchment due to loss of traffic on Railways, there has been practically no recruitment of staff. Really, for the last three years, no great change could have been made in the communal proportions of the railway services. Very few appointments have been made. So far as the men who were retrenched were concerned, orders were issued, as was explained by Mr. Hayman last year in this House, to ensure that the same proportion, as far as possible, of each community should be maintained on Railways after retrenchment as before. Mr. Hayman last year quoted figures showing that action on those lines had been taken and that the results were satisfactory with the retrenchment that was made. This

[Mr. C. P. Colvin.]

year—for 1932—the retrenchment started in July and is still proceeding; similar instructions were issued and, when the retrenchment is completed, we shall have figures as to what the results are; from such information as we have we have no reason to think that there will be any change in the representation of communities on the Railways owing to retrenchment.

Certain minor recommendations were made by Mr. Hassan in his report. The provisional views of the Railway Board regarding these recommendations have been communicated to the Agents of the Railways and their views are awaited. It is proposed to make an announcement regarding those minor recommendations shortly, and at the same time, as the announcement regarding the bigger question of separate percentages for Muslims which is under consideration. It must, however, be appreciated that the Railway Board are averse to any action which would lead to communal discrimination as regards staff who are already in the service. There is no doubt from what we have heard during the last day or two that the feeling of the House supports that view. Any action on those lines would undoubtedly lead to unmerited supersession.

Mr. Maswood Ahmad referred this morning to the question of Deputy Agents on Railways. Certain Muslim Members of the Assembly last year represented that posts of Deputy Agents should be held more frequently by Muslims,—I do not think they have ever been held by Muslims,—and Sir George Rainy agreed to consider the matter. What he actually said was this:

“ Now, I come to the fourth point which he (Sir Muhammad Yakub) took. He wants two Mussalmans of proved ability and strong character to be appointed as Deputy Agents, Personnel. That is a matter which I shall consider; but until I have before me the recommendations of the Railway Board, I cannot commit myself finally about it ”.

The Board have not yet been able to make such an appointment. No Muslim of sufficient seniority and experience in that particular class of work has been available at present. A letter was addressed to the Board about a vacancy which has recently occurred as Deputy Agent, Personnel, on the North Western Railway. On the recommendation of the Agent, a European Officer was appointed to that post. There are only two Muslim Officers on the N. W. Railway who are senior to that European Officer. One is already holding the post of Deputy Chief Engineer, which post has the same status and pay as that of the Deputy Agent, and the other Muslim Officer, who is senior to the European Officer, who is holding the post of Deputy Agent, has had no experience of the work in connection with staff and personnel matters. The European Officer, who is now officiating in the post of Deputy Agent, has been connected with that work uninterruptedly since 1924.

Mr. M. Maswood Ahmad: May I interrupt the Honourable Member? Mr. Cameron and Mr. Ghulam Hassan were both men from the traffic side.

Mr. C. P. Colvin: There are many other aspects of traffic work than staff and personnel matters. The Muslim Officer, who is senior to Mr. Cameron, has been practically all his service performing duties in connection with commercial work and he has had no experience of staff and personnel work. I understand that there are no Muslim Officers on other State-managed Railways senior to Mr. Cameron, but, even if there were . . .

Mr. M. Maswood Ahmad: I want to know if my friend is correct in his statement. Mr. Cameron was 29 points below in the seniority list.

Mr. C. P. Colvin: 29 points below whom?

Mr. M. Maswood Ahmad: There were 28 Officers senior to Mr. Cameron and he has superseded 28 persons.

Mr. C. P. Colvin: Mr. Cameron has got the post of Deputy Agent before various officers, both Muslims and Europeans, and there were no Muslim Officers on any other Railways who were senior to Mr. Cameron . . .

Mr. M. Maswood Ahmad: Khan Bahadur Muzaffar Hussain, Mr. Yakub and others?

Mr. J. P. Colvin: Khan Bahadur Muzaffar Hussain is already holding a post of the same status and pay as I explained just now.

Mr. S. C. Mitra: There is certainly some thing rotten somewhere.

Mr. C. P. Colvin: In February, 1931, Mr. Hayman stated in the Assembly that he was very anxious to have an adequate number of Muslim officers employed on staff duty and to see that senior men were appointed as Head Clerks and Superintendents when they were sufficiently qualified by seniority. The State-managed Railways were addressed on this matter on the 6th November, 1932, and the present position is as follows. At present there are eight Staff Employment Officers on the State-managed Railways and 69 Office Superintendents or Head Clerks. In 1930, there were 3 Staff Employment Officers, so that there has been an increase from three to eight in two years, and there were 55 Office Superintendents or Head Clerks . . .

Mr. M. Maswood Ahmad: This question was not raised in the debate.

Mr. C. P. Colvin: The question was not raised in the debate, but I gathered from my friend's speech this morning that he considered that the Railway Board had failed to carry out their obligations and their undertakings as regards the employment of Muslims, and I was trying to explain that, as far as I could see that was not the case.

As regards Muslim Officers, in 1925 the European Officers on State lines were 822, in 1932 there were 710, a decrease by 112 officers or 13 per cent.; Indians or Statutory Indians between 1925 and 1932 increased by 36, that is by 30 per cent. Muslim Officers increased during the same period from 36 to 52, that is by 16,—an increase of 44 per cent. And on Company-managed lines the European Officers between 1925 and 1932 decreased from 663 to 560,—a decrease of 103 or 15 per cent. Indian Officers increased from 143 to 263,—an increase of 120 or 83 per cent.; Muslim Officers on Company lines during these seven years increased from nine to 21,—an increase of 12 or 133 per cent. . . .

Mr. M. Maswood Ahmad: What has been the result of the last three years? The Honourable Member is giving us figures for 1917, 1920 and 1924, and so on.

Mr. C. P. Colvin: As I explained before, it is not very much use taking the last three years,—I can give the figures,—because during the last three years, owing to the fall in traffic, there has been practically no recruitment. A certain number of staff of all sorts were retrenched, others resigned or retired in the ordinary way, and their places were not filled, because the Railways found that they could carry on without filling all these posts, so that it has been very difficult to improve the position of minority communities as you would be doing at a time when you are recruiting in fairly large numbers, when of course the prescribed policy of reserving 33½ seats is of considerable value. For the last three years, it has been of very little value. Actually, the position for the last three years is this. On the State-managed lines in 1929 there were 1,300 Officers.—or, taking 1930, there were 1,270 Officers, and in 1932, 1,126 Officers—there has been a decrease between 1930 and 1931 of five per cent., and between 1931 and 1932, of six per cent. Among European Officers between 1930 and 1931, there was a decrease of five per cent. and between 1931 and 1932 of six per cent. Among Indian Officers during that period there was a decrease of five per cent. in 1931, and of six per cent. in 1932. Among Muslim Officers out of the Indian Officers, in the first year there was an increase of 1·8 per cent., in the next year there was a decrease of seven per cent. As I have said before, during these three years there has been little opportunity of redressing communal inequalities by the operation of the 33 and one-third per cent. rule.

Mr. M. Maswood Ahmad: Was that rule applied in the case of communities inadequately represented?

Mr. C. P. Colvin: This rule applies to all staff, but no appointments to speak of have been made. So, it has had very little effect.

Mr. M. Maswood Ahmad: Then the figure quoted by me that 133 posts were actually filled was incorrect. Do you mean to say that?

Mr. C. P. Colvin: I do not know what the Honourable Member's question is.

Mr. M. Maswood Ahmad: The question is this. In my speech I said that 133 posts were actually filled in the last three years. Out of this, 69 went to Europeans and Anglo-Indians, 47 to Hindus, 10 to Muslims and seven to others. Is this figure correct or not?

Mr. C. P. Colvin: I cannot say whether the figure is correct or not. I do not quite follow where it comes from.

Mr. M. Maswood Ahmad: The Financial Commissioner has verified it.

Mr. P. R. Rau: I am sorry I have not verified it.

Mr. C. P. Colvin: Regarding subordinate staff drawing a salary of Rs. 250 and over, the higher paid subordinate staff on State Railways, if we compare the position in 1925 and 1932, it is this. Among Europeans, there was a decrease of 23 per cent. Among such posts held by Indians and statutory Indians, there was an increase of 31 per cent. Amongst

such posts held by Muslims, there was an increase of 63 per cent. It rose from 191 in 1925 to 312 in 1932. Regarding the same subordinate staff, drawing Rs. 250 and over, on Company lines, the position is as follows: since 1925 and up to 1st April, 1932, there was a decrease among Europeans of 23 per cent. and an increase among Indians and statutory Indians of 14 per cent., and among Muslims of 31 per cent.

The figures that I have given show that there is no inattention on the part of the Railways or the Railway Board regarding the policy prescribed by Government, and that every care has been taken to see that it is carried out correctly. As I have said, the absence of any recruitment, to speak of, during the last three years has made no marked change to the proportions of the different communities during these years.

Maulvi Muhammad Shafee Daoodi (Tirhut Division: Muhammadan): Sir, the question which was raised by this cut motion was a very important one. I thank Diwan Bahadur Mudaliar who gave us some constructive suggestions on this point. All Honourable Members here know that the Muslims have been adversely affected by the recent retrenchment made in the Railway Department. I do not understand how the Honourable Member who just preceded me told us—his actual words were “no change in the communal representation has been made on account of the retrenchment recently made”—while I find from the report that has been supplied to us, that the Muslim employees have been put in a very serious position on account of the recent retrenchment.

Take only one example which is given on page 44 of the first Volume of the report. I find that the Muslim employees of the Railways were in 1931 one lakh 72 thousand and 975. In 1932, it came down to one lakh 57 thousand 714, that is to say, a reduction of 15,261, that is 9·6 is the proportion of their reduction compared with their number before the retrenchment while the reduction of other communities is only 36,379, a figure, which when worked out in percentage, comes to only 4·6. I cannot think for a moment that figures like this can be belied by simple statements made on the floor of the House. Reading the whole report it appears that no other community has been affected so much as the Muslims in the recent retrenchment. I take these figures as correct and proceed further and say that some way has to be found out for this injustice done to the community. I was grateful to Diwan Bahadur Mudaliar for suggesting a means to do away with this inequality, which is a very fair one. It is being practised in other Departments. We have got the Public Services Commission in India which is trying to do justice to all the communities, and there is less complaint as regards that body. It has been suggested that there should be a Railway Services Commission composed of representatives of different communities, and in their hands should be given the appointments for new posts. I have not heard a single word on this point from the Honourable Member who just now spoke on behalf of the Government. I hope this constructive suggestion of Diwan Bahadur Mudaliar will receive due attention from the Honourable Member and, if the Honourable speaker who has just preceded me, did not like to touch on this point, I hope the Commerce Member or the Financial Commissioner will touch on this point and give us a satisfactory reply.

[Maulvi Muhammad Shafee Daoodi.]

I think that my friend, the Acting Leader of the Nationalist Party, should have shown a better mood than what he had done especially after the interruptions to the very able and honest speech of Diwan Bahadur Mudaliar by Bhai Parma Nand,—the acting leader of the Nationalist Party should have come forward to give some lesson to his followers and tell them that this is not the way to achieve harmony in India.

Mr. C. S. Ranga Iyer: I heard the Honourable gentleman say that he wanted some replies from the Honourable the Commerce Member. I just rise to remind him that at 5 o'clock there will be the guillotine. He can easily deprive the Honourable the Commerce Member of his right of reply.

Maulvi Muhammad Shafee Daoodi: I shall just conclude. It was really a surprise—because it was the acting Leader who on the last occasion pacified the atmosphere; it was his speech that brought about harmony. I think it is a very serious question, because our young men are exhausted at present for they do not find any opening for themselves. . . .

Mr. C. S. Ranga Iyer: I would not have interfered in this debate, Sir, had not provocation come from a misrepresentation of the feelings of 40 millions of the Hindu community.

Maulvi Muhammad Shafee Daoodi: It was no provocation at all.

Diwan Bahadur A. Ramaswami Mudaliar: On a point of personal explanation. Mr. Chairman, I did not wish to interrupt my Honourable friend. The reply that I would have given is quite simple. The rotation principle that I suggested was approved by the Madras Legislative Council which represents 40 millions of Hindus. That was what I was referring to. I did not say that I represented in my humble capacity the 40 millions of Hindus.

Maulvi Muhammad Shafee Daoodi: I do feel, Sir, that in a country like this we should have an adjustment of this question also, otherwise it will play havoc with our future destiny. I do not know why Bhai Parma Nand came forward to brag of his nationalism. I do not think that he can claim to be a nationalist really. It is one who really works for all in this land that can lay claim to being a nationalist—not he who lives for one community and one community alone (Hear, hear), it is not he who is dividing the natural water into Hindu water and Muhammadan water that can claim to be a nationalist. Sir, is he not doing that? It is these things he should have prevented before he could presume to come before this House and give us a lecture on the nationalism that he thinks of. I do hope, Sir, that the Honourable the Commerce Member will give us a satisfactory reply.

Several Honourable Members: The question be now put.

Mr. Chairman (Sir Hari Singh Gour): I accept the closure. The question is that the question be now put.

The motion was adopted.

The Honourable Sir Joseph Bhole (Member for Commerce and Railways): Sir, this question has been debated so often on the floor of this House and it has aroused so much feeling on almost every occasion that I do not want to say anything which may inadvertently excite, instead of allaying, that feeling. There is, as far as I can see, very little, Sir, that I can usefully add to the actual information that was given by my Honourable friend. I do realize the depth of feeling among Mussalmans on this subject; and I would ask them equally to realise the anxiety we feel that they should appreciate the fact that we really and honestly want to do all we can to remove any reasonable cause for the existence of that feeling. Here I can assure my Honourable friend, the Mover, that it is not merely through any desire to postpone the matter that specific action has not been taken on Mr. Hassan's Report. As the House has already heard, the provisional conclusions of the Railway Board have been formulated on that report; but I think the House will realise that in a matter of this great importance, some general uniformity of principle should be adopted, some principle which will be applicable not merely to the Railways, but to all the Departments of Government. (Applause from the Nationalist Benches.) That, Sir, is really the reason which is delaying action, so far as the Railway Department is concerned. I think my Honourable Colleague, the Home Member, explained in reply to a question the other day that the matter was under active consideration and personally I hope that it will not be long before we shall be able to arrive at some general conclusions which will be of universal application. I hope myself that, if it is possible and I am able to hold a meeting of the Central Advisory Council before the Session concludes, I may be able to put up certain suggestions to them in this connection for their examination.

Now, I would only refer to certain general points which are no doubt present to the minds of Honourable Members. They do realize, I am sure, that in the past, owing to educational, and economic disqualifications or disadvantages or handicaps, the Muslim community has not been adequately represented in the services; and they will also realize that so far as the Railway Department is concerned, it is difficult at once, or indeed in the immediate future, to make any material change in the percentages by reasons of the enormous size of these particular services. But Honourable Members may rest assured that this matter will not be allowed to rest so long as I am here. (Hear, hear.) I hope, as I said, that orders will be passed upon Mr. Hassan's Report and that those orders will remove all reasonable grounds for complaint. I feel, personally, they should do so.

As regards the suggestions and proposals which came from my Honourable friend, Diwan Bahadur A. Ramaswami Mudaliar, naturally, Sir, the proposals made are of such great importance and so far-reaching that I do not think he could expect a pronouncement from me on this occasion at such short notice. (Hear, hear.) I am glad that in one or two matters my Honourable friend agreed with me. I made my position, I think, perfectly clear the other day so far as promotions to selection grade posts are concerned. My Honourable friend, I think, was able to see eye to eye with me on that question. He very rightly pointed out that in coming to a conclusion as to the comparative merits of individual officers, mistakes are likely. I frankly admit that; but personally I think there is always a remedy,—the remedy of an appeal or a review, and I can

[Sir Joseph Bhore.]

assure the House that when these appeals come to me, though I cannot ensure that absolute justice will be done, at any rate so far as I am concerned, I can say that I shall come to a decision on this question with an absolutely open mind and endeavour to hold the balance as evenly as I possibly can. (Applause.) Now, Sir, the real thing is to concentrate on future recruitment, as my Honourable friend said, and that my Honourable friend and the House may rest assured we shall do. As was pointed out by my Honourable friend, Mr. Colvin, the fact is that owing to retrenchment or the very material reduction of fresh recruitment, we may not be able in the immediate future or in the next year or two to show any very great enlargement of percentages so far as any particular community is concerned. But I think what will satisfy my Honourable friend and the House will be the enunciation of certain principles which will remove all reasonable grounds for complaint from any community. (Loud Applause.)

Mr. M. Maswood Ahmad: Sir, first of all I wish to thank Diwan Bahadur A. Ramaswami Mudaliar. He has very ably placed the case, and his suggestions were, no doubt, of a constructive nature. I do not think that a system which has been successfully tried in Madras will fail in other parts of India. Mr. Chairman, in this connection I want to say this that the man who will settle this perplexed question once for all will be the master-builder of the nation. Nations will remember him and his name will be written with golden letters in the history of India. In my opinion, that is the only point worth solving and if you once solve that problem, the whole trouble will vanish. What I actually want is justice for Mussalmans, for Hindus, for Anglo-Indians and for everybody. I want the reign of justice for the whole of India.

Mr. Chairman, I will certainly ask my Honourable friend, Sir Henry Gidney, that if any expression from me has injured his feelings, I am sorry for it. Last year I placed one side of the picture and this year I have placed another side.

Lieut-Colonel Sir Henry Gidney: Next year place the right side.

Mr. M. Maswood Ahmad: Mr. Chairman, it has been said that we should wait, but we have waited very long. Every year it is said that we should wait, but when the result comes in our hands, we find from the administration reports that our case is going from bad to worse. I am very glad to find that this year at least no Member from the Treasury Benches dared to correct or challenge my figures.

After listening to the speech of the Honourable the Railway Member in which he said that there would be no injustice to anybody as long as he was in charge of it, I think we must rely on his words. I hope he will show that the injustice that has been done to my community will not be prolonged and that our percentage will be increased. He should also see that with the assistance of another Indian gentleman, namely, the Financial Commissioner, proper representation is secured to the members of my community in the accounts department where at present there is a great paucity of Mussalmans. My Honourable friend, the Financial Commissioner, should prove that the interest of Muslims is safe in the hands of an Indian. So, Mr. Chairman, with your permission and with the permission of the House, I wish to withdraw my motion.

Mr. Chairman (Sir Hari Singh Gour): The question is that Mr. Maswood Ahmad be permitted to withdraw his motion.

(Mr. Amar Nath Dutt objected to the withdrawal of the motion.)

Leave refused. The House will now divide on the main motion.

Mr. Muhammad Yamin Khan: Before you put this motion, may I point out to you that it is now 5 o'clock.

Mr. Chairman (Sir Hari Singh Gour): The motion can be put. The question is:

"That the demand under the head 'Railway Board' be reduced by Rs. 100."

The motion was negatived.

Mr. Chairman (Sir Hari Singh Gour): The question is:

5 P.M.

"That a sum not exceeding Rs. 8,31,000 be granted to the Governor [General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Railway Board'."

The motion was adopted.

DEMAND No. 2.—INSPECTION.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 82,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Inspection'."

The motion was adopted.

DEMAND No. 3.—AUDIT.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 12,30,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Audit'."

The motion was adopted.

DEMAND No. 4.—WORKING EXPENSES: ADMINISTRATION.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 10,30,00,000 be granted to the Governor [General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Working Expenses: Administration'."

The motion was adopted.

DEMAND No. 5.—WORKING EXPENSES: REPAIRS AND MAINTENANCE AND OPERATION.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 38,12,50,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Working Expenses: Repairs and Maintenance and Operation'."

The motion was adopted.

DEMAND No. 6.—COMPANIES' AND INDIAN STATES' SHARE OF SURPLUS PROFITS AND NET EARNINGS.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 54,00,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Companies' and Indian States' Share of Surplus Profits and Net Earnings'."

The motion was adopted.

DEMAND No. 9.—APPROPRIATION TO DEPRECIATION FUND.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 13,75,00,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Appropriation to Depreciation Fund'."

The motion was adopted.

DEMAND No. 11.—MISCELLANEOUS EXPENDITURE.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 5,00,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Miscellaneous Expenditure'."

The motion was adopted.

DEMAND No. 14.—INTEREST CHARGES.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 2,83,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Interest Charges'."

The motion was adopted.

Expenditure not charged to Revenue.

DEMAND No. 7.—NEW CONSTRUCTION

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 31,25,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'New Construction'."

The motion was adopted.

DEMAND No. 8.—OPEN LINE WORKS.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 8,92,00,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Open Line Works'."

The motion was adopted.

DEMAND No. 10.—APPROPRIATION FROM DEPRECIATION FUND.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a sum not exceeding Rs. 7,77,12,000 be granted to the Governor General in Council to defray the charges, which will come in course of payment, during the year ending the 31st day of March, 1934, in respect of 'Appropriation from Depreciation Fund'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Monday, the 27th February, 1933.

LEGISLATIVE ASSEMBLY.

Monday, 27th February, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

MEMBER SWORN:

Mr. Clement Wansbrough Gwynne, C.I.E., O.B.E., M.L.A. (Government of India: Nominated Official).

QUESTIONS AND ANSWERS.

Mr. Chairman (Sir Hari Singh Gour): Secretary has received a letter from Mr. S. C. Mitra, Mr. S. G. Jog, Lala Rameshwar Prasad Bagla, Dr. Ziauddin Ahmad, Seth Haji Abdoola Haroon, Mr. Gaya Prasad Singh, Mr. N. M. Joshi and Bhai Parma Nand, to the effect that they do not intend to put the starred questions that stand in their names on the Agenda for today, and that these questions may be treated as unstarred and answered accordingly. The Honourable Members whose names do not appear in the letter are Mr. Maswood Ahmad, Mr. Thampan and Mr. Piracha.

SUPPLY OF BOOKS TO STATE PRISONER MR. SUBHASH CHANDRA BOSE.

525. *Mr. S. C. Mitra: (a) Is it a fact that when Mr. Subhash Chandra Bose was in the Madras Penitentiary, he wanted to borrow books from the Imperial Library of Calcutta in accordance with the Library Rules?

(b) Is it a fact that on former occasions when he was in prison he had borrowed books from that Library?

(c) Is it a fact that the Librarian of the Imperial Library was prepared to lend him books in accordance with the Library Rules?

(d) Is it a fact that the Bengal C. I. D. intervened at this stage and demanded that the books should be censored by them before being despatched by the Librarian to Mr. Bose?

(e) Is it a fact that the Librarian of the Imperial Library objected to this interference on the part of the Bengal C. I. D.? If so, what were the grounds of his objection?

(f) Is it not a fact that, under the rules for Bengal State prisoners, the Bengal C. I. D. have no jurisdiction in the matter of censoring or passing books? Is it not a fact that outside Calcutta, the authority for censoring or passing books for State Prisoners is vested in the Jail Superintendent and the District Magistrate? If so, why did the Bengal C. I. D. interfere in a matter quite outside their jurisdiction?

(g) Is not the Librarian of the Imperial Library a responsible officer of Government?

(h) Is not the Imperial Library a Government Library maintained by Government?

(i) Why was not the Librarian of the Imperial Library regarded as competent to send books to Mr. Bose without the mediation of the Bengal C. I. D.?

The Honourable Sir Harry Haig: I am making enquiries as to the facts and will lay a statement on the table in due course.

CENSORSHIP OF THE CORRESPONDENCE OF BENGAL STATE PRISONERS.

526. ***Mr. S. C. Mitra:** (a) Will Government be pleased to state who is the censoring authority for the letters of Bengal State Prisoners confined in (i) the Punjab, (ii) the Central Provinces, (iii) the United Provinces and (iv) the Madras Presidency?

(b) Is it a fact that in some cases the letters of the Bengal State Prisoners confined in these provinces are sent to the Bengal C. I. D. for censoring?

(c) Is it not a fact that under the rules for Bengal State Prisoners the letters of the State Prisoners referred to above should be censored and passed by the local police?

(d) Are Government aware that unnecessary delay and inconvenience are caused, because letters and telegrams have to be sent to Calcutta for censoring?

(e) Do Government propose to rectify the procedure, where the rules are at present being violated, so that in all cases the censoring of letters may be done by the local police?

The Honourable Sir Harry Haig: (a), (b) and (c). Under the rules the censorship of the correspondence of State Prisoners is conducted in the provinces to which they belong.

(d) No. Some delay is inevitable, but the work of censorship is conducted with all possible expedition.

(e) The rules are being observed.

RULES FOR THE GRANT OF INTERVIEWS WITH THE BENGAL STATE PRISONERS AND DETENUS.

527. ***Mr. S. C. Mitra:** (a) Is it a fact that the rules for the Bengal State Prisoners and detenus provide for one interview a week?

(b) Are Government aware that in the case of State Prisoners and detenus confined outside the province of Bengal, this concession cannot in actual practice be availed of?

(c) Is it a fact that even in the case of State Prisoners and detenus confined outside Bengal, the sanctioning authority for interviews is the Bengal C. I. D.?

(d) Is it a fact that when Mr. Subhash Chandra Bose was imprisoned in the Central Provinces, Mr. Ruikar and Mr. A. R. Tijaray of Nagpur and other prominent residents of the Central Provinces were refused permission to interview Mr. Bose in spite of their best efforts?

(e) Is it a fact that when Mr. Subhash Chandra Bose was confined in the Madras Penitentiary, he applied for permission to interview Mr. A. Rangaswami Iyengar and Mr. S. Srinivasa Iyengar of Madras, but failed to get the necessary permission?

(f) Is it a fact that Mr. A. Rangaswami Iyengar of Madras, Mr. K. Subrahmanyam of Cuddapah and other gentlemen also applied for permission to interview him, but could not obtain the necessary permission?

(g) Are the Government of India in a position to state what the Bengal State Prisoners confined outside Bengal or their relatives and friends should do in order to obtain the necessary permission for interviews?

(h) Do the Government of India, in such cases, propose either to deal with the question of interviews themselves or to delegate that authority to the Local Governments, within whose jurisdiction the Bengal State Prisoners or detenus happen to be confined at the time?

The Honourable Sir Harry Haig: (a) The rules permit of one interview a week.

(b) This is no doubt often the case.

(c) Permission for interviews is given under the orders of the Government of Bengal.

(d), (e) and (f). I have no information.

(g) and (h). The rules on this point are clear and State Prisoners are fully aware of the position. No action is proposed.

DISABILITY PENSION TO DISCHARGED MILITARY MEN.

528. ***Mr. S. G. Jog:** (a) With reference to the answer of Government to a supplementary question in connection with starred question No. 1543 of the 5th December, 1932, will Government please peruse page 8 of their publication entitled "Manual of Indian Military Law" and state if they could change the conditions of enrolment paper of persons enrolled under 1915 Regulations, without obtaining their consent?

(b) If the answer to part (a) above be in the negative, will Government please refer to the answer to starred question No. 1544 (c) of the 5th December, 1932, and state if there was any provision under the 1915 Regulations for a disability pension being given for a temporary period? If not, what are the reasons for not allowing full arrears to the individuals applying for the renewal of their pensions?

(c) Is it a fact that the pension certificates of the individuals referred to in part (a) above were taken away from them? If so, why?

(d) Were not these pension certificates despatched to the Controller of Military Pensions?

(e) Was it not for the Controller or the Officers Commanding to take steps to renew their pensions or at least to make sure if the particular disability on account of which these individuals were granted pensions in the first instance existed or ceased?

Mr. G. R. F. Tottenham: In answering this and the next 5 questions, I hope the Honourable Member will not mind if I give him somewhat brief replies. Most of them raise points which I can assure him will be

open to full discussion at the Conference which is to take place as a result of the undertaking that I gave the other day in dealing with the pension resolution.

The answers to the various parts of this question are as follows:

(a) The conditions of enrolment are certainly not subject to alteration in the manner suggested, but I can find nothing in the enrolment form which prescribes the conditions under which pensions will be admissible.

(b) The answer to the first part of the question is in the affirmative. The second does not arise.

(c), (d) and (e). I presume that the Honourable Member is referring to individuals who received pensions for a limited period in the first instance. If so, I will prepare a statement showing the procedure followed and lay it before the Conference to which I referred at the beginning of my reply.

DISABILITY PENSION TO DISCHARGED MILITARY MEN.

529. *Mr. S. G. Jog: (a) With reference to the statement laid on the table on the 15th September, 1932, in answer to question No. 289 of the 29th March, 1932, will Government please state if the family pension in the case, in which Government were satisfied with regard to the attributability of death to military service, has been granted; if not, why not?

(b) Will Government please state the name of the individual who has been given the benefit of doubt as regards admissibility for a disability pension?

(c) Has the benefit of doubt been given retrospective effect from the date of his disablement? If not, will Government please state the date from which the benefit of doubt has effect? What are the reasons for not giving the benefit of doubt from the date of the discharge? What is the percentage of this man's disability?

(d) On what date was the pension of the aforesaid individual sanctioned? Has it been paid? If not, why not?

(e) What is the probable time which the printing of pension circulars take? Is there no provision in the Regulations under which a hundred per cent. disabled individual can get his pension immediately on receipt of his pension certificate?

(f) How many years has the disabled individual in question been without pension? What probable time will it take to receive the payment of his pension?

(g) What are the reasons for not giving the benefit of the doubt to other similar cases brought to Government's notice, *vide* question No. 141 of 9th March, 1932?

Mr. G. R. F. Tottenham: (a) Yes.

(b) Reservist Fatehyab Khan.

(c) The pension has been given retrospective effect from the 23rd April, 1931, the date on which the medical board examined the man. The claim was not raised until fifteen years after the man had left the service. In view of the doubtful nature of the case and also of the fact

that pensions are given primarily for future maintenance, Government did not consider that it would be equitable to give full arrears. The degree of disability was assessed at 100 per cent. in 1931.

(d) The pension was sanctioned by the Government of India on the 15th August, 1932, and was notified by the Controller in a circular, dated the 17th October, 1932. If the pensioner has applied for payment, I presume that it must have been paid.

(e) Ordinarily, it takes about seven weeks. The answer to the second part of the question is in the negative.

(f) The man was discharged in 1915 but there is no evidence to show that he was then completely disabled. As regards the latter part of the question, the Honourable Member is referred to the answer given to part (d).

DISABILITY PENSION TO DISCHARGED MILITARY MEN.

530. *Mr. S. G. Jog: With reference to the statement laid on the table on the 15th September, 1932, in answer to question No. 302 (d) of the 30th March, 1932, will Government please state what facilities have been provided for the submission of claims to pensions in Rajputana and other Provinces where the Soldiers Board do not exist or its office happens to be too far away from the residence of claimants?

Mr. G. R. F. Tottenham: Where Soldiers Boards do not exist, their functions are performed by the local civil or political authorities, but there are six Soldiers Boards in Rajputana.

Ex-soldiers also can, and do, apply to Commanding Officers.

DISABILITY PENSION TO DISCHARGED MILITARY MEN.

531. *Mr. S. G. Jog: (a) Will Government please state if there is any definition in the Army Regulation for disabilities attributable to field or foreign service, apart from the one given for "ordinary military service" in paragraph 414 of the Regulations or the medical services for the Army in India?

(b) If the answer to part (a) above be in the negative, will Government please state if the disabled sepoy of the War whose disability was contracted on field or foreign service or was aggravated thereby, are and have been governed by the definition of "attributability" meant for "ordinary military service"?

(c) Will Government please explain how the abnormal conditions of field or foreign service can be covered by the definition for "ordinary military service"?

(d) What proof is required that a particular disability, involving the discharge of a trained sepoy invalided from field or foreign service, was contracted on such service?

(e) Are not Government the custodian of Long Rolls, Medical History Sheets, and other records relating to the discharge of sepoy's invalided from service during and after the war?

(f) Will Government please state if, under the terms of the Indian Army Act (section 17), it is not imposed on the Officer Commanding to record the cause of a sepoy's discharge on his discharge certificate?

(g) What are the reasons under which the cause of discharge shown on a sepoy's discharge certificate, invalidated from field or foreign service, with good or exemplary character recorded on his certificate, and with no proof for his indulgence in drinks or drugs, is considered insufficient to establish his claim to disability pension in accordance with the terms of his enrolment?

Mr. G. R. F. Tottenham: (a), (b) and (c). The phrase "ordinary military service" is not used in the Regulations. "Military service" includes field or foreign service: and I find it difficult to appreciate the Honourable Member's difficulty in applying the principles laid down in paragraph 414 to any aspect of military service.

(d) It is obviously impossible to prescribe the volume or character of the evidence on which a pension sanctioning authority should rely in considering a claim. Such an authority would ordinarily have regard to regimental and other records, such as the history of the case, and the proceedings of a medical board or of a Court of Enquiry.

(e) Yes.

(f) Yes.

(g) Because the disability on account of which the discharge takes place need not necessarily and invariably be a pensionable disability.

MEDICAL HISTORY SHEETS AND PROCEEDINGS OF MEDICAL BOARDS RELATING TO WAR DISABILITIES.

532. ***Mr. S. G. Jog:** (a) Will Government please state the time-limit after which the medical history sheets and proceedings of Medical Boards relating to war disabilities are destroyed?

(b) Is it a fact that they have been destroyed in the case of disabled individuals admitted to ordinary pension instead of a disability pension?

(c) Will Government please refer to their answers to unstarred question No. 141 (a) and (b) and state if, in the case of the Indian officer referred to in the question (Jemadar Pahlad Singh), the proceedings of the Medical Board, in accordance with whose findings the Indian officer was discharged, are not available? If so, what is the authority of the fresh Medical Board to state definitely that the disease asthma from which the Indian officer was suffering was not contracted on, aggravated by or attributable to field or foreign service?

Mr. G. R. F. Tottenham: (a) Medical board proceedings are preserved for a period of ten years. Medical history sheets are destroyed on the recommendation of a board constituted under paragraph 1654 of the King's Regulations.

(b) I presume that this is possible.

(c) The opinion expressed was that of the medical board held at Lucknow on 15th May, 1916.

GRANT OF PENSIONS TO THE HEIRS OF INDIAN SEPOYS KILLED OR DISABLED IN WAR.

533. ***Mr. S. G. Jog:** With reference to Government's answer to starred question No. 1498 (g), dated the 29th November, 1932, in which Government admitted that the favourable presumption distinctly authorised

in Army Instruction India, 238 of 1921, was omitted in the re-constructed Army Instruction 1058 of 1922, will Government please state, if the adverse effect of the 'omission' of favourable presumption will have effect retrospectively? If not, why is the benefit of favourable presumption not being given in the following cases:

- (i) 10/6th Rajputana Rifles letter No. Pen./43/4/27, dated 23rd January, 1930, regarding Havildar Ram Narain of 2/43rd Erinpura Regiment.
- (ii) Dy. Assistant Controller of Military Pensions, Lahore, letter No. G./4/6827, dated 1st October, 1932, regarding No. 1842 Recruit Rohtan Singh.
- (iii) Head Quarters, Mhow Brigade Area, letter No. 5312/56/S. C., dated 12th December, 1932, regarding 1527 sepoy Gutti Ram of 10/6th Rajputana Rifles.
- (iv) 4/19th Hyderabad Regiment letter No. 57/1/A., dated 16th February, 1931, regarding sepoy Ramji Lall.
- (v) Officer Commanding, Skinner's Horse, Lucknow, letter No. A./23/C./1983, dated 9th November, 1931, regarding Sawar Ram Bhagat.
- (vi) Government of India, Army Department, letter No. B.-19275/1 (A. G.-14), dated 29th June, 1932, regarding fitter Jang Sher Khan.
- (vii) Skinner's Horse letter No. A./23/C./2407, dated 9th January, 1932, regarding Sawar Ram Bhagat.

Mr. G. R. F. Tottenham: The omission in the later rule does not mean that the presumption should not be made. In regard to case No. III referred to by the Honourable Member, I am informed that there is no entry relating to the sepoy in the records of the hospital in which he is said to have died. The individual named in case No. VI died while on leave from Mesopotamia. There is no evidence whatever to show that he was on sick leave, and the only evidence as to the cause of his death was a statement made by a private doctor 11 years later to the effect that the cause was possibly chronic colitis; the doctor added that he could not be positive on this point. I have no information about the other cases, but I am willing to examine any papers which the Honourable Member would like to bring to my notice.

REPRESENTATION IN THE CENTRAL LEGISLATURE IN THE NEW CONSTITUTION OF THE MEMBERS OF THE LATE ROYAL FAMILY OF DELHI.

534. ***Seth Haji Abdoola Haroon:** Are Government aware that some agitation is being made in the press these days for the representation of the members of the late Delhi Royal family in the Central Legislature in the new constitution and also that a memorial to His Majesty King George V was recently submitted through the Collector, Benares?

Mr. H. A. F. Metcalfe: With your permission, Sir, I will answer questions Nos. 534 to 538 together. I would refer the Honourable Member to the answer given by me to Mr. Maswood Ahmad's question No. 47 on the 2nd February, 1933.

REPRESENTATION IN THE CENTRAL LEGISLATURE IN THE NEW CONSTITUTION
OF THE MEMBERS OF THE LATE ROYAL FAMILY OF DELHI.

†535. *Seth Haji Abdoola Haroon: (a) Will Government please state the number of the members of the Delhi Royal family in this country and also the districts in which they live?

(b) What are their political rights and privileges in the various districts?

(c) Have Government made any arrangement in the several districts for their education and employment?

REPRESENTATION IN THE CENTRAL LEGISLATURE IN THE NEW CONSTITUTION
OF THE MEMBERS OF THE LATE ROYAL FAMILY OF DELHI.

†536. *Seth Haji Abdoola Haroon: Have the Delhi Royal family ever been represented by a nominated or elected representative in the Central Legislature?

REPRESENTATION IN THE CENTRAL LEGISLATURE IN THE NEW CONSTITUTION
OF THE MEMBERS OF THE LATE ROYAL FAMILY OF DELHI.

†537. *Seth Haji Abdoola Haroon: (a) Will Government please state the demands of the Delhi Royal family as put forward in their memorial to His Majesty the King and also as to what steps do Government contemplate to take thereon?

(b) Have Government made any attempt to find out their demands from their duly elected representative, Khan Bahadur Nawab Hamid Hussain Khan, through whom the Princes of the late Delhi Royal family in their memorial desired to present their case?

(c) If not, do Government intend to do so now?

REPRESENTATION IN THE CENTRAL LEGISLATURE IN THE NEW CONSTITUTION
OF THE MEMBERS OF THE LATE ROYAL FAMILY OF DELHI.

†538. *Seth Haji Abdoola Haroon: (a) Have the Delhi Taimuria Association and Anjuman Khandan-i-Jahandad Shah, Benares, forwarded any resolutions to the Government of India?

(b) If so, will Government please state the resolutions and the action they intend to take in that connection? If not, why not?

APPEAL FROM THE ALL-INDIA ADI-HINDU DEPRESSED CLASSES CONFERENCE
HELD AT LUCKNOW AGAINST THE POONA PACT.

539. *Seth Haji Abdoola Haroon: (a) Will Government please state whether they have received an appeal from the All-India Adi-Hindu Depressed Classes Conference recently held at Lucknow on the 5th November, 1932, against the Poona Pact?

(b) If so, will Government be pleased to lay on the table a copy of the appeal?

(c) What steps do Government propose to take in that connection?

The Honourable Sir Brojendra Mitter: (a) I have seen a copy of the appeal in question.

† For answer to this question, see answer to question No. 534.

(b) The appeal is printed in Hindi and was published by the President, District Adi-Hindu Sabha, Cawnpore, in a pamphlet covering 76 pages, priced at four annas a copy. I regret that no spare copy is available for placing on the table.

(c) It is not proposed to take any action in the matter.

REMOVAL OF PROSTITUTES FROM THE CHAORI BAZAR, DELHI.

540. *Kunwar Hajee Ismail Ali Khan (on behalf of Mr. M. Maswood Ahmad): (a) Are Government aware that the Chaori Bazar is one of the main thoroughfares and business centres of Delhi?

(b) Are Government aware that prostitutes have been removed from public places in many towns of British India?

(c) What steps have Government or the Municipal Committee of Delhi so far taken to remove them from Chaori Bazar?

(d) Are Government prepared to consider the desirability of their removal from this locality at an early date? If so, what steps do they propose to take in this matter?

Mr. G. S. Bajpai: (a) and (b). Yes.

(c) The Delhi Municipal Committee has, since November, 1930, declared Chaori Bazar a prohibited area under section 152 of the Punjab Municipal Act for the residence of prostitutes and the keeping of brothels and are doing everything possible to enforce this prohibition.

(d) Does not arise.

EXCLUSION OF THE DAWOODI BORAHs FROM THE OPERATION OF THE WAKF ACT.

541. *Kunwar Hajee Ismail Ali Khan (on behalf of Mr. M. Maswood Ahmad): (a) Are Government aware that the Dawoodi Borahs waited in deputation on His Excellency the Governor of Bombay and Education Ministers of Bombay praying for the application of the Wakf Act to that community?

(b) Will Government please state whether they have received any Bill from the Government of Bombay for the sanction of the Governor General to exclude the Dawoodi Borahs from the operation of the Wakf Act? If so, what action has been taken on it?

(c) Do the Government of India contemplate introducing a Bill in the Legislative Assembly to exclude the Dawoodi Borahs from the operation of the Wakf Act of 1923?

(d) Has any non-official Member of the Legislative Assembly given notice of such a Bill?

(e) Has a memorial signed by thousands of Dawoodi Borahs of different parts of India been submitted to His Excellency the Governor General praying not to give his sanction to the introduction of a Bill either in the Legislative Council of Bombay or in the Legislative Assembly which aims at the exclusion of them from the operation of the Wakf Act of 1923? If so, what action has been taken on that memorial?

1218

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

The Honourable Sir Harry Haig: (a) I have no information.

(b) The answer to the first part is in the negative. The second part does not arise.

(c) No.

(d) Yes

(e) Some memorials have been received. His Excellency the Governor General has refused sanction to the Bills referred to in part (d) of the question.

EMPLOYMENT OF CERTAIN MEN ON THE ABOLITION OF CERTAIN POSTS IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

542. ***Mr. Gaya Prasad Singh:** (a) Will Government be pleased to state whether it is a fact that some new men have been imported in the Railway Clearing Accounts Office, at the time of the abolition of the Southern Punjab Railway, Ticket Collecting Crews System on the East Indian Railway, certain section in the office of the Chief Commercial Manager, North Western Railway, etc.?

(b) If the reply be in the affirmative, will Government be pleased to state the circumstances which necessitated the employment of these men in the Railway Clearing Accounts Office?

(c) Did these men hold substantively their former posts? What position has been assigned to them in the gradation list of the Railway Clearing Accounts Office?

(d) Is it a fact that persons who had been in service in the Railway Clearing Accounts Office for over four years have been discharged, while the new men referred to in part (a) above have been kept in service? If so, why?

Mr. P. E. Rau: (a) Two men were taken from the Southern Punjab Railway on the purchase of that Railway, three men were taken from the Crew Staff of the East Indian Railway, but long before the abolition of that System, and none from the office of the Chief Commercial Manager, North Western Railway.

(b) I am informed that the men were taken in view of their previous experience and suitability for the work in the Railway Clearing Accounts Office.

(c) No. Only one of these men has been confirmed in the Railway Clearing Accounts Office and his position is below those confirmed prior to him. Others are temporary. Their position in the cadre will be fixed when, and if they are confirmed.

(d) I understand that certain persons with longer service were discharged on grounds of least efficiency before the revised orders regarding discharge solely on the basis of length of service were issued.

HARDSHIP CAUSED TO THE MIDDLE CLASS PEOPLE BY THE ASSESSMENT OF INCOME-TAX ON AN INCOME OF RS. 1,000.

543. ***Lala Rameshwar Prasad Bagla:** (a) Are Government aware that the policy of assessing income-tax on an income of Rs. 1,000 has caused great hardship to the middle class people and that there is great resentment among them on this account?

(b) Are Government contemplating to revert to their original policy?

The Honourable Sir George Schuster: (a) Government cannot accept this statement of the position as accurate.

(b) I must request the Honourable Member to await my usual budget statement on the 28th February.

DOING AWAY WITH THE SURCHARGES ON INCOME-TAX AND SUPER-TAX.

544. ***Lala Rameshwar Prasad Bagla:** (a) Will Government be pleased to state if they are thinking of doing away with the surcharge on income-tax and super-tax?

(b) Will Government kindly state if they have received any representations from public bodies and individuals to that effect and also the names of those who have submitted such representations?

The Honourable Sir George Schuster: (a) I must ask the Honourable Member to await my usual budget statement on the 28th February.

(b) The Government have received representations on the subject of Taxes on Income from the following Chambers of Commerce:

Punjab, Burma Indian, Indian Merchants, Bombay, United Provinces and the Associated Chambers of Commerce.

EXPORT OF GOLD FROM INDIA.

545. ***Lala Rameshwar Prasad Bagla:** Will Government please state the total export of gold from India till February 7th, 1933, giving its value in rupees and its quantity in tolas, from the time Britain went off the gold standard?

The Honourable Sir George Schuster: About 15 million fine ounces of gold valued at about Rs. 116½ crores were exported from India between the 22nd September, 1931, and the 7th February, 1933.

UNLOCKING OF FIRST AND SECOND CLASS COMPARTMENTS BEFORE THE STARTING OF TRAINS AT STATIONS OF ORIGIN.

546. ***Lala Rameshwar Prasad Bagla:** (a) Will Government please state if there are any regulations under the Indian Railways Act or the railway bye-laws of the various Railway Companies as to the time when, before the starting of trains from their stations of origin, the first and second class compartments have to be unlocked to permit entrance by passengers?

(b) Are Government aware that the Railway authorities at various stations of origin do not unlock the first and second class compartments to permit the entrance of passengers earlier than 20 minutes before the starting of trains from their stations of origin?

(c) Will Government please state the actual regulations followed by the various Railway Companies in keeping first and second class compartments locked up till hardly 20 minutes are left for the departure of trains at the stations of origin?

(d) Are Government aware that such a short space of time as 20 minutes, before the starting of trains from their stations of origin, when the first and second class compartments are unlocked to permit

entrance of passengers, entails lots of trouble and inconvenience to long journey passengers, particularly ladies, in accommodating themselves comfortably?

(e) Have Government considered the question of the advisability of requiring the various systems of Railways to arrange the unlocking of first and second class compartments at least an hour before the starting of trains from their stations of origin to permit the entrance of passengers?

(f) If the reply to part (e) be in the affirmative, will Government please state if they propose to enact such regulations as to force the Railway Companies to allow an interval of at least one hour before the starting of trains from their stations of origin, for passengers to accommodate themselves in first and second class compartments?

Mr. P. R. Rau: (a) to (f). The Indian Railways Act does not prescribe any minimum period before the booked departure time of trains for I and II class compartments to be made available for passengers to entrain. For details of this nature, Agents of Railway Administrations issue working orders to suit the local conditions of each Railway, and Government are not aware that adequate time is not allowed for passengers to entrain at stations from which trains originate.

If the Honourable Member will kindly specify the particular stations or railway he has in mind I will see whether any modification of the existing orders is desirable.

PIECE OF LAND NEAR JUMA MASJID, DELHI, OCCUPIED BY THE ALWAR STATE EMIGRANTS.

547. ***Bhai Parma Nand:** (a) Will Government be pleased to state whether the piece of land lying across the road opposite Juma Masjid, Delhi, where the Alwar State emigrants were encamping for a long time, belongs to the Delhi Municipality or Government as the Nazul property?

(b) In either case will Government be pleased to state under what conditions or terms the site is now in the occupation of the above class of people?

(c) If it transpires that the site is not Government or Municipal property, will Government please state what steps have been taken to keep the said area and its vicinity immune from unhealthy and insanitary conditions?

(d) Was the site allotted with the consent of some authority and are Government aware of the apprehension that it might be converted into a hot bed of political propaganda and communal tension?

Mr. G. S. Bajpai: (a) The land referred to by the Honourable Member is Nazul property.

(b) The site was not given or leased to emigrants from the Alwar State. Some of the emigrants encamped on the area and as they were homeless, it was not considered desirable to evict them.

(c) The Delhi Municipal Committee has taken special steps to ensure the sanitation of the area by the provision of extra sweepers, temporary public latrines, and additional refuse bins. In addition a qualified medical man visits the area daily, and Lady Health Visitors are also sent occasionally.

(d) The site was not allotted and it is only in temporary occupation of the emigrants. Government have no reason to suppose that it might be converted into a hot bed of political propaganda and communal tension.

LAND ON THE LEFT HAND SIDE OF THE TOWN HALL IN THE QUEEN'S GARDEN, DELHI.

548. ***Bhai Parma Nand:** (a) Are Government aware that certain construction work was going to be taken in hand by the Delhi Municipality on the left hand side of the Town Hall facing the Queen's statue?

(b) Are Government aware that this construction was stopped on account of certain disputes which arose between the Municipality on the one hand and the Hindus and Muhammadans on the other?

(c) Are Government also aware that the site in question has been now specifically made over to the Muhammadans with rights of exclusive use?

(d) If so, will Government state whether the Local Government duly consulted the Government of India in the matter referred to above?

(e) Will Government be pleased to state whether the Archaeological Department was invited to discover what kind of monuments were found under the said ground? If not, why not?

(f) Was the question of making it a protected monument and preserving it under the Ancient Monuments Preservation Act considered instead of handing it over to a special class of people with rights of unrestricted area? If not, why not?

(g) Are Government aware of the ugly and unhygienic conditions to which the above site is subjected?

(h) Will Government be pleased further to state what documents have been executed in respect of the transfer of this site. If so, by whom, and in whose favour?

(i) Are Government aware that much discontent prevails among the public, inasmuch as the rights and privileges of the general public have been sacrificed to favouring a particular class?

Mr. G. S. Bajpai: Enquiries have been made and the result will be communicated to the House in due course.

GRADE AND SALARY OF AN INDIAN CIVIL SERVICE OFFICER APPOINTED AS DEPUTY COMMISSIONER OF DELHI.

549. ***Bhai Parma Nand:** (a) Will Government be pleased to state in what grade and salary generally an I. C. S. officer is appointed as Deputy Commissioner of Delhi?

(b) What is the nature of his duties?

(c) Does he do judicial work as a District Magistrate or Collector or Registrar?

(d) Is it a fact that almost all the powers vested in him as District Magistrate, Collector, Registrar, etc., etc., have been delegated to the Additional District Magistrate, Delhi?

(e) Is most of his time occupied with the administration work? If so, what is the nature of such administration work and the time occupied in the discharge of such duties?

1222

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

The Honourable Sir Harry Haig: (a) The Officer appointed as Deputy Commissioner, Delhi, draws pay according to the senior time-scale of the Indian Civil Service. A special pay of Rs. 150 per mensem is attached to the post.

(b) The Deputy Commissioner is responsible for all the ordinary duties of a District Officer. He is in addition President of the Delhi Municipal Committee, the Notified Area Committee and numerous other committees of local institutions.

(c) Yes.

(d) The Additional District Magistrate has been invested with the powers of District Magistrate, Collector, and Registrar. This officer also acts as Superintendent of the Delhi District Jail. It has been necessary to invest him with these powers as it would be impossible for the District Magistrate alone to perform all the functions of the District Magistrate, Collector and Registrar, unaided.

(e) As explained in reply to (b), the Deputy Commissioner has a heavy charge, and his work cannot be confined to ordinary office hours.

SUBORDINATE STAFF EMPLOYED IN THE PERMANENT ESTABLISHMENT OF THE ACCOUNTS OFFICES OF STATE RAILWAYS.

550. ***Mr. N. M. Joshi** (a) Will Government be pleased to state the total number of subordinate staff employed in the permanent establishment of the Accounts Offices of the Great Indian Peninsula, East Indian, Eastern Bengal, North Western and Burma Railways respectively, with also their average gross and net earnings for the last three years?

(b) Will Government please state the total number of staff blocked in the grades of Rs. 120, Rs. 90 and Rs. 80, with their length of service, and the total period of block, in each of the State Railway Accounts Offices?

Mr. P. R. Rau: (a) The number of permanent subordinates including inferior servants in the Accounts Offices of the five State-managed Railways is as follows:

Great Indian Peninsula 697, East Indian 1,325, Eastern Bengal 559, North Western 1,334 and Burma 212. The average gross earnings for the three years ending the 31st March, 1932, for these railways in lakhs are 13.66, 18.51, 5.98, 16.64 and 4.27, respectively; the average net earnings for the same period are 3.53, 6.52, 1.39, 3.43 and 1.26, respectively.

(b) The information is being compiled and will be laid on the table in due course.

DEPARTMENTAL EXAMINATION FOR PROMOTION IN THE ACCOUNTS OFFICE OF THE GREAT INDIAN PENINSULA RAILWAY.

551. ***Mr. N. M. Joshi:** (a) Is it a fact that a definite assurance was given by Government when taking over the old Great Indian Peninsula Railway Accounts staff in 1925 to the effect that no new conditions of service harring the then existing prospects and privileges of the staff would be imposed, and that rules have since been framed making it compulsory for the staff to pass certain departmental examinations as a condition precedent for ordinary promotions even in the clerical grades?

(b) If so, are Government prepared to restore the old privilege by exempting the old Great Indian Peninsula Railway staff from passing the departmental examinations since imposed for promotions in the clerical grades? Is it a fact that no such departmental examinations are made conditional for promotions in the clerical grades in other departments of the railway?

(c) Is it a fact that the Office Manuals of State Railway Accounts Offices which are books prescribed for the departmental examinations, though made available to staff on all other State Railways, have not yet been made available to the Great Indian Peninsula Railway Accounts staff, though examinations have regularly been held since the last three years and the Great Indian Peninsula Railway Accounts Staff Union has been repeatedly representing the matter to the administration? If the answer be in the affirmative, who is responsible, and what action do Government propose to take to meet this long-standing grievance?

Mr. P. R. Rau: (a) and (b). Government do not consider that prescribing an examination as a necessary qualifying condition for promotion can be held to be in any way contrary to the assurance referred to. I may add that persons in the permanent employment of the Company who were over 40 years of age when the management was taken over by the State are not subject to this condition.

(c) I am informed that office manuals are still under preparation in most of the State-managed Railways but that though these are prescribed subjects for departmental examinations, in practice the questions are based on Codes or orders which are available to the Staff. I do not recollect that the grievance complained of has hitherto been brought to my notice, but I shall have the question examined to see whether any action can be taken to meet the grievance complained of.

DISLOCATION OF WORK IN THE TRAFFIC ACCOUNTS BRANCH OF THE GREAT INDIAN PENINSULA RAILWAY ACCOUNTS OFFICE.

552. ***Mr. N. M. Joshi:** (a) Is it a fact that the work in the Traffic Accounts Branch of the Great Indian Peninsula Railway Accounts Office has been in a state of continued dislocation since the abolition of the Divisional Traffic Accounts Scheme in 1931, and sanctions were accorded from time to time by the Controller of Railway Accounts for the maintenance of additional temporary establishment to clear the heavy arrears?

(b) Is it a fact that as a result of reduction in the posts of Station Inspectors on the Great Indian Peninsula Railway, the work of station inspections has been in a serious state of arrears and recently within so short a time after retrenchment, a series of frauds have come to light on the Railway, and in consequence the Chief Accounts Officer has asked for more posts of Inspectors being sanctioned by the Controller of Railway Accounts to cope up with the work of station inspections?

(c) If the answers to parts (a) and (b) above are in the affirmative, will Government be pleased to state how the surplus in the clerical and station inspection staff for retrenchment was arrived at and by whom?

(d) Is it a fact that almost all the discharged clerical staff were re-employed within a very short time, and, if so, did Government anticipate the necessity of re-employing the discharged staff in view of the impending voluntary retirement scheme? If not, why not?

(e) Is it a fact that this has resulted in additional expenditure by way of payment of notice pay and grant of passes to go home and back, etc.?

Mr. P. R. Rau: (a) I understand that there was some dislocation in the Traffic Accounts branch work after the abolition of the Divisional Traffic Accounts scheme in 1931, but not additional staff was sanctioned in this connection.

(b) I am informed that the arrears in station inspection were not a result of the reduction in the posts of Station Inspectors on the Great Indian Peninsula Railway, but were originally due to additional duties in connection with the Divisional Traffic Accounts scheme when it was in existence. A reduction in the posts of Station Inspectors was ordered in 1932 and formed part of the retrenchments in the Accounts Department in giving effect to the recommendations of the Railway Retrenchment Sub-Committee. This was effected by extending the intervals between inspections and did not mean increased work to the staff concerned, whose duties have, as a matter of fact, been reduced by the introduction of the State Railway procedure which involved fewer checks than the old Great Indian Peninsula Railway Company's procedure. It is true that the Chief Accounts Officer made a request recently for some temporary staff to help in bringing up the arrears but he failed to convince the Controller of Railway Accounts of the necessity for this staff. The request was therefore refused pending an examination of the results of the reduced checks and re-arrangement of programmes given effect to recently. No series of frauds have come to light on the Great Indian Peninsula Railway as a result of the retrenchment of posts of Inspectors.

(c) The surplus in the clerical and Station Inspection staff was determined by the Controller of Railway Accounts in consultation with the Chief Accounts Officer in the light of the volume of work to be done.

(d) It was found possible to re-employ almost all the discharged clerical staff only because an equivalent number offered subsequently to retire voluntarily. The offers of voluntary retirement were not received in time to avoid discharges.

(e) The additional expenditure involved is very small and does not exceed Rs. 50.

NON-PUBLICATION OF THE ACCOUNTS OF THE STAFF BENEFIT FUND OF STATE RAILWAYS.

553. ***Mr. N. M. Joshi:** Will Government be pleased to state whether it is a fact that the accounts of the Staff Benefit Fund of the State Railways are not published annually and, if it is so, are Government prepared to consider the desirability of publishing the accounts annually for the information of the railway employees, who contribute to it by way of fines imposed on them by the Railway and to satisfy themselves that the fund is made use of in accordance with the rules and for the objects provided for them? If not, why not?

Mr. P. R. Rau: The accounts of the Staff Benefit Fund of the State Railways are kept by the Chief Accounting Officer of the Railway concerned. Government are quite prepared to accept the suggestion of the Honourable Member that the accounts should be published and are issuing instructions accordingly.

GRANT OF COMPENSATORY ALLOWANCES TO THE STAFF OF THE GREAT INDIAN PENINSULA RAILWAY ACCOUNTS DEPARTMENT.

554. ***Mr. N. M. Joshi:** (a) Will Government be pleased to state in what respects the staff of the State Railways Accounts Offices are under the control of the Controller of Railway Accounts, and in what respects they are under the control of the Agents of the various Railways concerned?

(b) Is it a fact that the staff engaged since October, 1929, in the Accounts Department of the Great Indian Peninsula Railway are not granted the local compensatory allowances although these allowances are granted to the staff of that department engaged prior to October, 1929, and also to the staff of the other head-quarters offices of the Railway at Bombay without any distinction of date of engagement?

(c) If the answer to part (b) above be in the affirmative, do Government propose to grant these allowances to all the staff of the Great Indian Peninsula Railway Accounts Department? If not, why not?

Mr. P. R. Rau: (a) The State Railway Accounts staff is under the control of the Controller of Railway Accounts.

(b) Yes.

(c) No. The present rates of pay for Railway Accounts staff were introduced in 1929 after careful examination of all relevant factors and after consultation with the Standing Finance Committee for Railways. Nothing has happened in the interval to necessitate a re-consideration of the rates of pay. I should add that these rates apply only to staff who were recruited after the date of introduction of these scales of pay.

PROBATIONARY ACCOUNTANTS IN THE VARIOUS ACCOUNTS OFFICES OF STATE RAILWAYS, ETC.

555. ***Mr. N. M. Joshi:** (a) Will Government be pleased to state the number of probationary accountants in the various Accounts Offices of the different State Railways, in the Clearing Accounts Office and in the Office of the Controller of Railway Accounts who have already been confirmed and who are still awaiting confirmation?

(b) Is it a fact that some of them have been exempted from the departmental qualifying examinations, and a few others have failed in the first and even in the second and third attempts?

(c) Is it a fact that there are many young men in the Accounts Offices of the different State Railways who possess high educational qualifications, have office experience and besides have passed the departmental examinations creditably even in the very first attempt?

(d) If the answers to parts (b) and (c) above are in the affirmative, do Government propose to confirm the men referred to in part (c)?

Mr. P. R. Rau: (a) On the 1st January, 1933, there were 18 probationary accountants in the Railway Accounts Department of whom 13 have been confirmed and five have since been reverted for not passing the departmental examinations.

(b) Six of the thirteen who have been confirmed were appointed before 1st January, 1929, and under their terms of appointment were not required

1226

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

to pass the examination before being confirmed as accountants, grade II. They are, however, required to pass the examination before they can be promoted to higher grades.

(c) Yes.

(d) When vacancies arise, their claims will be considered.

RECRUITMENT OF PROBATIONARY OFFICERS IN THE STATE RAILWAY ACCOUNTS OFFICES.

556. ***Mr. N. M. Joshi:** (a) Is it a fact that the probationary officer attached to the office of the Chief Accounts Officer of the Great Indian Peninsula Railway was not selected through competitive examination, and has not passed the necessary departmental examination even in the third attempt?

(b) Do Government propose to put a stop to this method of recruiting probationers in the State Railway Accounts Offices in view of there being highly qualified, academically as well as departmentally, young men in the department itself?

Mr. P. R. Rau: (a) There is at present a probationer of the Indian Railway Accounts Service attached to the Office of the Chief Accounts Officer, Great Indian Peninsula Railway. He was recruited through the Public Service Commission on the result of a competitive examination held in December, 1930.

He has appeared twice in the departmental examination and has passed in two subjects; the rules require that he should pass within four years of appointment.

(b) I hope that my Honourable friend does not desire Government to give up the present method of recruiting officers on the results of a competitive examination.

AMENDMENT OF SECTION 20 OF THE INDIAN TRUST ACT, 1882.

557. ***Mr. K. P. Thampan:** Will Government be pleased to state:

(a) whether it is a fact that the Government of Madras made representations to the Government of India to amend section 20 of the Indian Trust Act, 1882, to declare the debentures of the Central Land Mortgage Bank of Madras as *trustee securities*;

(b) whether it is a fact that these debentures are backed by first mortgage securities executed in favour of various primary banks and the interest of which is guaranteed by the Local Government; and

(c) whether the Government of India propose to introduce the necessary legislation; if not, why not?

Mr. G. S. Bajpai: (a) Yes.

(b) The Government of India understand that the debentures of the Central Land Mortgage Bank, Madras, are floated on mortgages transferred to it by primary land mortgage banks. The Local Government have guaranteed interest on debentures to be issued in the first five years to the extent of Rs. 50 lakhs until the debentures are paid off or redeemed by the Bank.

(c) No. The Government of India consider that the question of extending the list of all-India trustee securities, with the object of adding a new class of provincial securities, is one which should be deferred until the new constitution has been framed.

Mr. K. P. Thampan: May I know, Sir, whether the Townsend Committee on Co-operation in the Madras Presidency, the Royal Commission on Agriculture and the Central Banking Enquiry Committee have all recommended that the debentures of the Madras Central Land Mortgage Bank must be treated as trustee securities?

Mr. G. S. Bajpai: I am quite prepared to concede, Sir, that my Honourable friend's statement as regards the recommendations of these Committees and Commissions is correct, but my point is that, in view of the uncertainty as to whether Government at the Centre would in future have any control over the finances and the financial status of Local Governments, they are not prepared to enlarge the list of securities under the Trustees Act.

Mr. K. P. Thampan: May I know whether the Government are aware that on account of the failure of the Madras High Court to declare these as trustee securities by framing the necessary rules and the failure of Government to introduce the necessary legislation, the Bank is undergoing considerable difficulties for want of funds and that it is not working satisfactorily?

Mr. G. S. Bajpai: No, Sir, I am not aware of the fact.

Mr. K. P. Thampan: Will Government kindly enquire?

Mr. G. S. Bajpai: Government do not consider that any useful purpose would be served by making that enquiry, because the reason which I have given for Government's decision not to admit these securities to the list of approved securities relates to the future constitution and not to present conditions.

Mr. K. P. Thampan: In view of the fact that similar loans such as the Madras Municipal Loans, and the Port Trust Loans which are of a provincial character have been treated as trustee securities and in view of the fact that if the Government do not introduce the necessary legislation, it would be a very great handicap for the successful working of the Madras Central Land Mortgage Bank, do not the Government consider it their duty to introduce legislation without any further delay?

Mr. G. S. Bajpai: Well, Sir, as I have tried to explain, the difficulty relates to or arises out of the uncertainty as to the control, if any, which the Central Government in future will have over provincial finances. The securities which have already been admitted were admitted in the past when constitutional changes were not impending.

Diwan Bahadur A. Ramaswami Mudaliar: May I ask a question arising out of the answer? Is it not a fact that there is no proposal to treat the Indian Trust Act as a Provincial Act or as capable of amendment by

a provincial Legislature and that the present proposal is that the Indian Trust Act should be a Central Act capable of amendment only by the Central Legislature, that there is no uncertainty with regard to the future, and that the decision must always lie with the Central Government whether they will classify any particular set of loans as trustee securities or not and that, therefore, the decision has to be taken by this Government with reference to this matter? There is no uncertainty at all, so far as I am aware.

Mr. G. S. Bajpai: It may be, as my Honourable friend has stated, that there is no uncertainty as to the powers of the Central Legislature in regard to the Indian Trust Act. But the question is whether the Central or Federal Government will be in a position to satisfy itself regarding the solvency and the financial position generally of Provincial Governments. As far as I understand the position, the uncertainty arises out of that and not out of any doubt as to the future legislative jurisdiction of this House.

Diwan Bahadur A. Ramaswami Mudaliar: In this case may I inform my Honourable friend that the Provincial Government have recommended that these debentures should be treated as trustee securities and if there is any uncertainty in the future, a similar recommendation or want of recommendation of the Provincial Government must amply meet the necessities of the case?

Mr. G. S. Bajpai: My Honourable friend's point is that the recommendation of a Local Government should be considered sufficient guarantee of the quality of the security which they recommend. That raises a general question of financial policy on which I am not prepared to pronounce an opinion.

Mr. F. E. James: In view of the real importance of this matter to the question of agricultural loans in Madras, in view of the fact also that the Government of Madras, as I understand it, are very anxious that these debentures should be classed as trustee securities, will the Government of India now reconsider the matter?

Mr. G. S. Bajpai: The answer which I have given is based upon the very recent reconsideration of the recommendation of the Government of Madras, and, so far as I am concerned, I am not prepared to say that in the light of the facts which the Government had already in their possession they are prepared to reconsider the matter.

Mr. F. E. James: May I then ask at what stage the matter is likely to be reconsidered? Is the matter to rest there until the federal constitution comes actually into being?

Mr. G. S. Bajpai: The position is that we have communicated our views to the Government of Madras. If the Government of Madras feel that the matter is of such pressing urgency that they want it reconsidered, they will come up again and then, I daresay, the Government of India will reconsider it, but not till then.

Mr. K. P. Thampan: May I know whether it is a fact that in August, 1931, the Government of India informed the Madras Government that the necessary legislation would be taken up at the Simla Session of the Assembly and that towards the end of the same year the Government changed their attitude? May I know what intervened between August and December to warrant a change of policy?

Mr. G. S. Bajpai: I am not aware that the Government of India in 1931 agreed that there should be legislation and, in 1932, went back upon it.

Mr. F. E. James: That is a fact.

Diwan Bahadur A. Ramaswami Mudaliar: May I ask the Honourable the Finance Member if any consideration about such an opportunity being given to class it as trustee securities affecting the loan operations of the Government of India has been taken into account in coming to this decision.

The Honourable Sir George Schuster: I would ask my Honourable friend to appreciate the fact that this is a complicated and difficult matter, and I would also remind the House that there is a Bill down in the list of possible business for this Session on this very subject. I suggest that a debate on that Bill would be a more suitable occasion for going into this whole question than this process of supplementary questions and answers. I would assure my Honourable friend that we fully appreciate the reasons why the Madras Government have made this recommendation; and it was only after very careful consideration that on the whole we came to the conclusion that in the present uncertainty it was undesirable to enlarge the list of trustee securities. It will be possible in the course of the debate on the Bill to go into that matter much more fully.

PROCEDURE FOR GRANTING THE EXPENDITURE ON CAPITAL ACCOUNT OF INDIAN RAILWAYS.

558. ***Dr. Ziauddin Ahmad:** (a) Are the various stages of discussing and finally granting the expenditure on Capital Account of Indian Railways the same as outlined by the Acworth Committee in para. 45 and succeeding paragraphs of their report? If the procedure is different, what is the procedure now?

(b) Was the procedure adopted in granting capital expenditure on Kalyan Power Station and Kangra Valley Railway?

(c) If not, in what respect was it deviated from?

Mr. P. R. Rau: (a) I presume my Honourable friend is referring to the paragraphs in the Acworth Committee's report which describe the preparation of the capital programme for each railway and the annual allotment of funds for it. There have been various changes in detail in the procedure which it is impossible for me to describe in the short space of a reply to a question on the floor of this House; but I may say briefly that the present procedure is that the proposals of the Agent regarding the capital programme of his line are submitted by him in two sections to the Railway Board: the rolling stock portion is discussed by the Railway Board with the Agent in March and the rest of the works programme in July or August.

1230

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

The programmes dealt with three year periods when the Acworth Committee reported. At the present moment the programmes are prepared only for yearly periods owing to the uncertainties of the immediate future. These programmes are no longer sent to the Secretary of State for his approval but are placed before the Standing Finance Committee for Railways who scrutinise them in detail.

(b) and (c). The usual procedure was followed in these cases; but I must remind my Honourable friend that the inclusion of any item in the programme is not by itself sufficient authority for incurring expenditure on it. In both these cases separate estimates had to be, and were prepared and submitted by the Agent for scrutiny and sanction by the Railway Board.

ANNUAL EXPENDITURE ON THE RAILWAY CONFERENCE.

559. *Dr. Ziauddin Ahmad: (a) Will Government be pleased to state on what page or pages of the Railway Budget are the expenses on the Railway Conference shown?

(b) What is the permanent staff of the Railway Conference? What is the annual expenditure on it? Have Government considered the question of its amalgamation with the Railway Board? If not, why not?

Mr. P. R. Rau: (a) The budget of the Indian Railway Conference Association does not form part directly of the Railway budget. The Association consists of all railway administrations in India working a railway open for passenger traffic that desire to join it and the expenditure is distributed among the railway administrations represented in the proportion of their respective voting powers. The Secretary of the Indian Railway Conference Association is also Director of the Wagon Interchange which is responsible for controlling the movement and distribution of broad gauge wagons among the nine railways which form part of the pool in order to get the maximum loading with a minimum of stock. A separate branch of the Conference office called the Neutral Control Branch checks the condition of wagons at certain junctions of interchange between the different railways in order to accelerate the movement of wagons through those junctions and to minimise disputes. The total cost of the Association, including the Wagon Interchange and Neutral Control Branches, amounted to Rs. 3,95,000 in 1931-32.

(b) The total staff of the Indian Railway Conference Association, including all these various branches, consists of four superior officers, 231 subordinates and 267 inferior staff. The present cost is, as I have already stated, Rs. 3,95,000. From the description of the work done by the Indian Railway Conference Association it will be obvious that it is not a work that can be taken over by the Railway Board. The Association includes among its membership a number of railways with the administration of which the Railway Board has no concern.

WORK DONE IN THE CENTRAL STANDARDS OFFICE.

560. *Dr. Ziauddin Ahmad: For how many years was the Standards Office established? What work is it doing now? For how many years do Government propose to continue it?

Mr. P. R. Rau: The Central Standards Office was established in January, 1930, on a temporary basis for five years. It deals with the preparation of Standard Drawings and designs for Permanent Way, Bridges, Signal and Interlocking Locomotives and Rolling Stock; also standard specifications for railway materials.

The question of its continuance or otherwise after the initial period of five years has not been considered yet.

AVERAGE RATE OF INTEREST ON BORROWINGS FOR EXPENDITURE ON INDIAN RAILWAYS.

561. *Dr. Ziauddin Ahmad: (a) What was the average rate at which money was borrowed for the expenditure on Indian Railways in the year 1920? Was it not at 8½ per cent.?

(b) What was the average rate of interest on Railway borrowings in 1932? Was it not 5·7 per cent.?

(c) What is the Government rate of interest now?

(d) What action do the Railway Board propose to take to reduce the rate of interest to the market rate of interest, i.e., four per cent.?

(e) How many crores will the Railway Board save, if the average rate of the borrowings be converted to the rate of interest at which Government are now borrowing money?

Mr. P. R. Rau: (a) and (b). The interest charged to railway revenues is composed of the following items:

- (i) Interest on specific railway debt which consists mainly of stock issued or liabilities undertaken at the time of the purchase of the old Guaranteed Railway Companies;
- (ii) Interest on capital contributed by Railway Companies;
- (iii) Interest on other capital which has been provided by Government from various sources.

The last is calculated as follows:

- (i) At the fixed rate of 3·3252 per cent. per annum on capital provided up to the end of 1916-17;
- (ii) On all capital provided subsequently at a rate intended to represent the average rate of interest on Government borrowings during the period beginning with 1917-18, after allowing for the income-tax free concession, cost of management of debt, etc. The rate for 1931-32 was 5·65 per cent. and the estimated rates for 1932-33 and 1933-34 are 5·53 per cent. and 5·48 per cent. respectively.

In round figures it may be stated that the specific debt in 1933-34 amounts to 179 crores and the interest thereon to 6 crores. The capital contributed by Companies amounts to 40 crores and the interest thereon to 1·3 crores. The capital contributed by Government up to the end of 1916-17 amounts to 273 crores and the interest thereon to 9 crores. Finally, the capital contributed between 1917-18 and 1933-34 both years inclusive amounts to 302 crores and the interest thereon to 16½ crores.

(c) The redemption yield on the last conversion loan floated by the Government of India is 4·3 per cent.

(d) As pointed out in reply to parts (a) and (b) of my Honourable friend's question, since the rate paid to general revenues is the average rate of interest on Government borrowings since 1917-18 every fall in the rate at which Government is borrowing at present will be reflected in the rate charged to Railways; for example the average has fallen from 5.65 per cent. in 1931-32 to 5.48 per cent. in 1933-34.

(e) From the data given by me this is a simple arithmetical problem, for which I am sure my Honourable friend does not require my assistance to find a solution, but I would point out that the result will be entirely academic because Government loans cannot be paid before fixed dates, so that it is only in the case of loans which can be repaid in the near future that Government can convert without the necessity of paying a premium which would largely neutralise the advantages of conversion. I should add, however, that the point emphasised by my Honourable friend of the desirability of reducing rates of interest whenever possible has not been, and will not be, lost sight of by Government.

APPOINTMENT OF MUSLIMS AS ASSISTANT SURGEONS ON THE EAST INDIAN RAILWAY.

562. ***Shaikh Fazal Haq Piracha:** (a) Will Government be pleased to state how many Assistant Surgeons are employed on the East Indian Railway, and how many of them are Muslims?

(b) Are Government aware that four posts of Assistant Surgeons are advertised to be filled on the East Indian Railway?

(c) Do Government propose to draw the attention of the Agent, East Indian Railway, to the desirability of filling all the four posts by Muslims to redress communal equality?

Mr. P. R. Rau: (a) There are 16 Assistant Surgeons employed on the East Indian Railway, of whom none is a Muslim.

(b) Yes.

(c) As I informed the House last week a copy of the question has been sent to the Agent, East Indian Railway, who is competent to make these appointments, for such action as he may deem necessary. He is aware of Government's policy with regard to preventing a preponderance of any class or community in the railway services.

TIME TAKEN BY PILGRIM SHIPS AND NON-PILGRIM SHIPS FROM JEDDAH TO BOMBAY AND KARACHI AND VICE VERSA.

563. ***Shaikh Fazal Haq Piracha:** (a) Will Government be pleased to state how many days does a pilgrim ship normally take to reach Jeddah from Bombay and Karachi and vice versa?

(b) How many days does it normally take a non-pilgrim passenger ship to reach Jeddah from Bombay and Karachi and vice versa?

(c) Why is there so much difference in journey days between a pilgrim and a non-pilgrim ship for so short a journey?

(d) Are Government aware that the pilgrims in a pilgrim ship, who are placed in uncomfortable conditions, feel great inconvenience and trouble in remaining packed up on board the ship for so many days, and that the less the days spent on their journey, the less is the trouble to them?

Mr. G. S. Bajpai: (a) A pilgrim ship normally takes 13 days to perform the voyage between Bombay and Jeddah, via Karachi. The direct voyage between Bombay and Jeddah or Karachi and Jeddah takes 10 days.

(b) and (c). There are very few sailings of non-pilgrim passenger steamers from Bombay or Karachi to Jeddah. The steamers making the voyage are generally the same as those which ply as pilgrim ships during the pilgrim season. The duration of the voyage is also the same, subject to slight variations on account of weather conditions during different seasons.

(d) It would naturally be more convenient for the passengers if the voyage could be shortened.

Mr. K. Ahmed: Comparing the distance from Bombay to Jeddah with the distance from Bombay to Marseilles, and considering that it takes only fourteen days to go to Marseilles from Bombay, will Government say what is the speed at which these boats to Jeddah go?

Mr. G. S. Bajpai: I do not know exactly the speed at which they go, but it is obvious that the mail boats are much faster.

Mr. K. Ahmed: In view of the fact that the distance to Marseilles is nearly three times as much, and in view of the fact that it takes only thirteen days to go to Marseilles, will Government say what are the reasons for taking as much as 15 days from Bombay to Jeddah?

Mr. G. S. Bajpai: The reason is obvious: mail boats are faster than the pilgrim ships.

Mr. K. Ahmed: My Honourable friend must know that even ordinary ships take only fourteen days to go to Marseilles. Is he in a position to intimate to Turner Morrison and Co. and other Companies that ships going to Jeddah from Bombay and other ports should increase their speed and go a little faster, so that the hardship to passengers may not continue and probably more people may go to Jeddah?

Mr. G. S. Bajpai: I am not sure whether my Honourable friend appreciates the fact that even the Government of India cannot make ships go at a more rapid pace than they are capable of.

Mr. K. Ahmed: In view of the fact that my Honourable friend the Leader of the European Group, Sir Leslie Hudson, is in a better position than the Government to see that ships can be made more speedy, will he kindly be pleased to see that ships go at a somewhat more speedy rate and not at the present very slow rate, one consequence of which is that there are more deaths taking place on the deck than would otherwise be the case?

Mr. G. S. Bajpai: I am not sure whether that question is addressed to me or to Sir Leslie Hudson.

Mr. K. Ahmed: Will the Government see that ships proceed somewhat faster than they have been doing for the last century and that they do this distance in less time?

Seth Haji Abdoola Haroon: Will Government be pleased to arrange with the Shipping Companies to see that these pilgrim ships go from Karachi to Jeddah and also from Bombay to Jeddah direct, because, when these ships come from Bombay to Karachi, sometimes there are very few passengers, and similarly there are very few passengers from Karachi to Bombay when these ships return from Jeddah?

Mr. G. S. Bajpai: My Honourable friend does not seem to appreciate that the Shipping Companies have no contract with Government. What Government can do is to make suggestions to Shipping Companies, and I am quite prepared to put the point, which the Honourable Member has raised just now, to Messrs. Turner Morrison & Co. I shall also take this opportunity of answering the somewhat involved statement of my friend behind me. As I have stated more than once, Government are in no position to accelerate the speed of ships, and, therefore, it is not possible to take the action suggested by him.

Mr. K. Ahmed: If the Steamer Companies do not comply with the request of the Government of India, sufficient steps can be taken against these Companies. Are the Government of India aware of that? (Laughter).

(No reply).

RULES FOR LIMITING THE SPEED OF PILGRIM SHIPS.

564. ***Shaikh Fazal Haq Piracha:** Are there any rules regarding the keeping of a maximum or minimum speed limit of pilgrim ships? If not, are Government prepared to consider the desirability of framing such rules that may compel the steamship companies to complete their journey from Indian pilgrim ports to Jeddah in the least possible number of days in normal times?

Mr. G. S. Bajpai: There is a rule that pilgrim ships sailing between May 20th and September 20th in any year must be capable of steaming at least eight knots an hour in ordinary monsoon weather. The second part does not arise.

EMPLOYMENT OF MORE MUSLIMS ON PILGRIM SHIPS DURING THE HAJ SEASON.

565. ***Shaikh Fazal Haq Piracha:** (a) Will Government be pleased to state the names and number of ships, working as pilgrim ships this year at Bombay and Karachi, and also state how many Muslim doctors, compounders, clerks and cabin boys are serving on each ship for the convenience of the pilgrims? How many of them are non-Muslims?

(b) Are Government aware that Muslim employees on a pilgrim ship can be more serviceable, sympathetic and useful to the pilgrims of their own religion?

(c) Are Government prepared to consider the question of making rules to compel the pilgrim steamship companies to keep a good number of Muslim employees during the Haj season?

Mr. G. S. Bajpai: (a) The pilgrim fleet of the Mogul Line, which is the only Line at present engaged in the pilgrim traffic from India, comprises eight steamers, namely, *S.S. Akbar*, *S.S. Alavi*, *S.S. Dara*, *S.S. Jehangir*, *S.S. Khosrou*, *S.S. Rahmani*, *S.S. Rizwan* and *S.S. Shuja*.

The Government of India are not in possession of information as to the number of Muslims and non-Muslims employed for service on each of these ships.

(b) and (c). The Government of India recognise the desirability of the shipping company employing, as far as possible, Muslims for service on pilgrim ships, provided suitably qualified persons are available. The matter has already been brought to the notice of the shipping company and it is proposed to make rules with a view to ensuring, as far as possible, the employment of suitable Muslims as medical officers and hospital attendants.

NURSES KEPT IN PILGRIM SHIPS AT INDIAN PILGRIM PORTS.

566. ***Shaikh Fazal Haq Piracha:** Will Government be pleased to state if the pilgrim ships at Indian pilgrim ports are keeping nurses for the convenience and service of the female pilgrims?

Mr. G. S. Bajpai: Under the existing rules, a pilgrim ship engaged to carry more than 100 pilgrims is required to employ one female attendant to assist the medical officer if there are any female pilgrims on board. In connection with a recommendation made by the Haj Inquiry Committee, the Government of India propose to make a new rule laying down that, whenever possible, there should be a qualified nurse or midwife, preferably a Muslim, in addition to a female attendant, on every pilgrim ship carrying female pilgrims.

CHARGES FOR SINGLE AND RETURN FIRST, SECOND AND DECK CLASS TICKETS ON PILGRIM SHIPS FROM BOMBAY AND KARACHI TO JEDDAH.

567. ***Shaikh Fazal Haq Piracha:** (a) Will Government be pleased to state separately the charges for single and return first, second and deck class tickets on a pilgrim ship from Bombay and Karachi to Jeddah?

(b) Are Government in a position to state the reasons for keeping so high a difference between a return and a single fare ticket?

(c) Do Government have any hand in fixing the fares? Are Government prepared to consider the desirability of compelling the companies to keep a reasonable difference between a return and single journey ticket to encourage the pilgrims to buy single tickets in their interest, for their convenience to return from Jeddah by any ship that may be available?

Mr. G. S. Bajpai: (a) The steamer fares for pilgrims are liable to fluctuation, but the maximum fares at present charged by Messrs. Turner, Morrison & Co., Ltd., from Bombay and Karachi, are shown in a statement which I lay on the table.

(b) The grant of a concession to pilgrims who purchase return tickets is in accord with ordinary commercial practice.

(c) Government have no legal power to control the fares and do not propose to take such power. The purchase of a return ticket is not obligatory. If a pilgrim travelling as a deck passenger does not wish to purchase a return ticket in order that he may be free to return from Jeddah by any ship that may be available, he is at liberty to purchase a single ticket provided that he deposits a sum of Rs. 50 with the Commissioner of Police, Bombay, or the Protector of Pilgrims, Karachi, for the purpose of defraying the cost of the return passage.

1236

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

The maximum fares at present charged by Messrs. Turner, Morrison & Co., Ltd., from Bombay and Karachi are as follows :

			Rs.
First class—			
(i) with food	Single	450	
	Return	650	
(ii) without food	Single	375	
	Return	550	
Second class—			
(i) with food	Single	350	
	Return	525	
(ii) without food	Single	300	
	Return	450	
Deck—			
(i) with food	Single	140	
	Return	215	
(ii) without food	Single	110	
	Return	160	

RETURN OF HAJ PILGRIMS FROM JEDDAH BY HANSA LINE (GERMAN) STEAMERS.

68. *Shaikh Fazal Haq Piracha: Is it a fact that last year, while returning, some Haj pilgrims from Jeddah came by Hansa Line (German) steamers? Are Government aware of the reason why they preferred to travel by that line?

Mr. G. S. Bajpai: Government understand that 53 pilgrims returned from Jeddah by German ships owing to the shortage of first and second class accommodation in ships of the Mogul Line.

TRAVELLING OF INDIAN HAJ PILGRIMS BY SHIPS OTHER THAN THOSE OF MESSRS. TURNER, MORRISON AND COMPANY.

569. *Shaikh Fazal Haq Piracha: (a) Is it a fact that Government have been devising means to discourage travelling by steamers other than those of Turner Morrison? If not, are Government prepared to request His Majesty's Minister at Jeddah to arrange, whenever possible, to send the Indian Haj pilgrims by steamers other than those of Turner Morrison that may touch the Jeddah port?

(b) Will Government be pleased to lay on the table of this House the correspondence that took place between the Government of India and His Majesty's Minister at Jeddah, on the subject of travelling of Indian Haj pilgrims by ships other than those of Turner Morrison?

Mr. G. S. Bajpai: (a) The answer to the first part is an emphatic negative. There is nothing to prevent Indian pilgrims from booking passages for the return journey by ships of any other Line that may be available at Jeddah provided that the ships comply with the statutory provisions applicable to pilgrim ships. The Government of India do not consider that any instructions are needed to His Majesty's Minister at Jeddah.

(b) There has been no such correspondence.

ADOPTION OF THE SYSTEM OF GIVING CONTRACTS FOR CARRYING PILGRIMS TO HEDJAZ.

570. *Shaikh Fazal Haq Piracha: (a) Are Government aware that the Egyptian Government give every year a contract by tender system to shipping companies for carrying pilgrims to Hedjaz?

(b) Are Government prepared to consider the question of adopting the system of giving contract for carrying pilgrims to Hedjaz to such shipping companies as may be prepared to charge the lowest amount of fare?

Mr. G. S. Bajpai: (a) Government have no information beyond what is contained in paragraph 132 of the Report of the Haj Inquiry Committee.

(b) The question has already been considered. The Haj Inquiry Committee were definitely against the introduction in India of the tender system and their opinion was accepted by Government.

INCOME FROM CUSTOMS CHARGED FROM THE HAJ PILGRIMS FOR ARTICLES IMPORTED BY THEM.

571. *Shaikh Fazal Haq Piracha: Will Government be pleased to state the approximate income for the last three years of the customs charged from Haj pilgrims for articles imported by them from Hedjaz on their return?

The Honourable Sir George Schuster: I regret that the information is not on record.

ISSUE OF CONCESSION TICKETS FOR POOR PILGRIMS BY MESSRS. TURNER, MORRISON AND COMPANY.

572. *Shaikh Fazal Haq Piracha: (a) Is it a fact that every year Messrs. Turner Morrison used to issue two or three hundred concession tickets for poor pilgrims in their pilgrim ships?

(b) Are Government aware that, when requested this year, Mr. E. Brown, Managing Director, Messrs. Turner Morrison, Bombay, refused to issue such tickets, on the plea that the Government had disallowed the issue of such tickets?

(c) Is there any truth in the matter? If not, do Government propose to enquire from the Managing Director why he accused the Government?

(d) Has an article on this matter, which appeared in the *Daily Inqilab* of Lahore, been brought to the notice of Government?

Mr. G. S. Bajpai: (a) Tickets at reduced rates have been issued occasionally by Messrs. Turner, Morrison and Co., Ltd.

(b), (c) and (d). Government made enquiries as soon as the article in the *Inqilab* of the 26th December, 1932, came to their notice. They were informed that Mr. Brown had referred to the views of the Haj Inquiry Committee who were opposed to the grant of any concession.

INCONVENIENCE CAUSED TO PILGRIMS AT BOMBAY AND KARACHI.

573. *Shaikh Fazal Haq Piracha: Are Government aware that the pilgrims, when they enter the pilgrim ships at Bombay and Karachi, feel great trouble as only one ladder is kept for going into the ship? Are Government prepared to issue instructions to the port authorities to keep more than two ladders?

Mr. G. S. Bajpai: An enquiry has been made from the Government of Bombay and the result will be communicated to the House on receipt of the Local Government's reply.

UTILISATION OF MONEY OF THE RETURN TICKETS OF FIRST AND SECOND CLASS PILGRIMS WHO FOR LACK OF ACCOMMODATION TRAVEL AS DECK PASSENGERS FROM JEDDAH.

574. *Shaikh Fazal Haq Piracha: Will Government be pleased to state as to where goes the money of the return tickets of the first and second class pilgrim passengers, who, on account of lack of accommodation, travel as deck passengers from Jeddah?

Mr. G. S. Bajpai: The difference between the cost of the return half of a first or second class ticket and the cost of a deck passage is retained by the shipping company, if a pilgrim decides of his own accord to travel as a deck passenger by the first available boat instead of waiting at Jeddah for higher class accommodation, to which his ticket entitles him, in a later boat.

PAUCITY OF MUSLIMS IN THE LEGISLATIVE DEPARTMENT.

575. *Shaikh Fazal Haq Piracha: (a) Is it a fact that there are very few Muslims employed in the Legislative Department?

(b) Will Government be pleased to state the number of assistants, clerks, daftries and chaprisis of each community serving in the Legislative Department?

(c) Will Government be pleased to state the number of title holders in the Legislative Department?

(d) Is it a fact that there is not a single Muslim clerk serving in the Cash Branch of the Legislative Department?

Mr. D. G. Mitchell: (a) No. The number is 20.

(b) A statement is placed on the table giving the information desired.

(c) If the Honourable Member refers to holders of Indian titles, the answer is four.

(d) Yes.

Statement showing the number of Assistants, Clerks, Daftries and peons (including Jamadars and Dafadars) of each community serving in the Legislative Department.

Classes of posts.	Hindus.	Muslims.	Sikhs.	Europeans and Anglo-Indians.	Indian Christians.	Other communities.	Total.
Assistants . . .	11	2	..	5	..	..	18
Clerks . . .	16	5	1	2	1	..	25
Daftries . . .	4	4	..	..	1	..	9
Peons . . .	45	9	..	..	..	..	54

AMOUNT SPENT EACH YEAR ON STATIONERY REQUIRED IN THE LEGISLATIVE DEPARTMENT.

576. *Shaikh Fazal Haq Piracha: (a) Will Government state the amount spent each year on stationery required in the Legislative Department, how much of it remains unspent at the end of the year, and what does it amount to?

(b) Will Government state the amount spent each year on stationery for the Council of State, separately on pen, pencil, paper, ink, etc.?

Mr. D. G. Mitchell: (a) The amount spent on stationery for the Legislative Department and the Council of State together, during the last three years, is as follows:

	Rs.
1929-30	2,300
1930-31	2,500
1931-32	2,000

Approximately one-fourth of the quantity of stationery supplied in a year remains unspent at the end of that year and this is consumed during the period intervening between the close of the year and the date of the next year's supply.

(b) Separate accounts are not kept of the stationery consumed in the Legislative Department and the Council of State, nor is it possible to furnish information as to the amount spent on each item of stationery separately without an amount of research wholly out of proportion to the value of the result.

PROTECTION OF INDIAN LIFE AND PROPERTY IN NATIVE RESERVES IN TANGANYIKA.

577. *Mr. Gaya Prasad Singh: (a) Has the attention of Government been drawn to an article in the *Tanganyika Opinion*, dated the 20th January, 1933, under the heading "Protection of Indian Life and Property in Native Reserves" at page 14?

(b) Is it a fact that at Kaboyo in the Protectorate of Uganda, Indian shopkeepers were insulted, beaten and threatened by natives in the Reserve?

(c) Have Government noted the allegation that the Native Chief is stirring up breach of peace against Indian shopkeepers?

(d) What steps, if any, have been taken towards alleviating the sufferings of the Indian merchants?

Mr. G. S. Bajpai: (a)—(d). The article presumably refers to the incident which formed the subject-matter of Honourable Member's question No. 344 which I answered on the 20th February, 1933. The Federation of Indian Chambers of Commerce of East Africa is reported to have taken up the matter. The Government of India have not been approached.

OPPOSITION OF GERMANY TO THE FORMATION OF A POSTAL UNION IN EAST AFRICA.

578. ***Mr. Gaya Prasad Singh:** (a) Has the attention of Government been drawn to a Reuter's news under the heading "Germany Opposes Postal Union in East Africa", as published in the *Tanganyika Opinion*, dated the 27th January, 1933, at page 4?

(b) Have Government noted the reasons which have prompted the German Colonial Association to oppose the Postal Union now in force since 1st January, 1933, in East Africa?

(c) Are Government prepared to take steps to assist the Indian community of Tanganyika by making representations to the Permanent Mandates Commission of the League of Nations and to the Permanent Court of International Justice under Article 14 of the Mandate of Tanganyika and under Article 13 of the same Mandate read with Article 14 of the Covenant of the League of Nations?

Mr. G. S. Bajpai: (a) and (b). Yes.

(c) The attention of the Honourable Member is invited to the reply given by me on the 20th February, 1933, to his starred question No. 342.

OPPOSITION OF GERMANY TO THE FORMATION OF A POSTAL UNION IN EAST AFRICA.

579. ***Mr. Gaya Prasad Singh:** (a) Has the attention of the Government been drawn to the following:

- (i) leading article in the *Tanganyika Opinion* of the 27th January, 1933, at page 9 under the heading "Unification with a Vengeance";
- (ii) an article under the heading "Customs Union to Follow Postal Union in East Africa" in the *Tanganyika Opinion* of the 27th January, 1933, at page 13 and a Reuter's news under the heading "Bitter German Opposition" at the same page in the same issue of the said paper; and
- (iii) an article under the heading "First Fruits of Postal Union for Tanganyika Tax Payers" in the *Tanganyika Opinion*, dated the 27th January, 1933, at page 14?

(b) Will Government kindly state whether they are prepared to take action immediately against the threatened Customs Union of Tanganyika with Kenya and Uganda?

Mr. G. S. Bajpai: (a) Government have seen the articles referred to by the Honourable Member.

(b) Government have made inquiries with a view to deciding what action, if any, on their part is called for.

ILLICIT TRAFFIC IN SILVER BULLION.

580. ***Mr. Gaya Prasad Singh:** (a) Is it a fact that a large illicit traffic in silver bullion has developed not only across the frontiers of the foreign possessions in South India, but also across the North Eastern and North Western Frontiers of India?

(b) Is it a fact that as a result of this illicit smuggling, Government have lost a large amount of revenue? If so, how much approximately?

(c) Have the Central Board of Revenue issued any notification under the Land Customs Act prohibiting the import of silver into India by land, except through authorized routes on the North Eastern Frontier in Burma, where customs barriers were established?

(d) Have the land barriers in respect of foreign possessions in South India been reinforced by additional patrols, but the staff required costs so much as to exceed the loss of revenue thus prevented?

(e) Are Government considering the question of prohibiting the import of silver from Afghanistan, except for legitimate trade purposes; and will they be pleased to make a statement on the subject?

The Honourable Sir George Schuster: (a) There is a considerable amount of smuggling of silver bullion across the frontiers of the French Settlements in Southern India, and there are reasons to believe that very large quantities of silver—mostly coin—have been imported across the North-Eastern and North-Western frontiers of India.

(b) It is impossible to estimate the amount of revenue actually lost by smuggling. Large quantities of silver were imported from China across the Burmese frontier last summer and there was definite evidence that much larger quantities were on their way. This forced the Government to close that route. It does not of course follow that silver which has entered India without paying duty either by being smuggled or because advantage has been taken of the absence of a land-customs line would have entered India at all if it had had to pay duty because the attraction which brings in the smuggled imports is the profit which the evasion of duty makes possible. Therefore estimates in terms of revenue lost must be merely hypothetical and fictitious.

(c) The effect of certain notifications issued by the Government of India and by the Central Board of Revenue is as described in this part of the question.

(d) Since silver bullion and coin became dutiable expenditure amounting to about Rs. 20,000 per annum has been incurred on strengthening the land customs establishment on the Pondicherry Frontier. I cannot say that the expenditure incurred exceeds the loss of revenue that has been prevented.

(e) The Government of India have this question under close consideration but are not in a position to make any definite announcement upon the subject.

MODIFICATION OF THE COMMUNAL AWARD AFTER THE SEPARATION OF ORISSA.

581. ***Mr. Gaya Prasad Singh:** Is it in contemplation to modify the Communal Award so far as Bihar is concerned, after the separation of Orissa from it? If so, in what way?

The Honourable Sir Brojendra Mitter: The decision to constitute a separate Orissa province entails a modification of the Communal Award in respect of Bihar and Orissa. Such modification, however, is a matter entirely for His Majesty's Government.

HEAVY TRAFFIC OF COCAINE AND CHARAS IN DELHI.

582. *Mr. S. G. Jog: (a) Are Government aware that in Delhi there is a heavy traffic of cocaine and *charas* to a dreadful extent causing awful misery to the public health, especially for the last four or five years, and that the excise staff comprises nearly half a dozen men, i.e., one Excise Officer, one Excise Inspector, two or three Excise Sub-Inspectors and one Excise Clerk?

(b) Are Government aware that the respected residents of those streets and lanes where cocaine and *charas* are freely sold day and night feel much inconvenienced and troubled owing to the heavy traffic of such smugglers and that they have complained many times to the Excise Officer to take effective action, but no heed has been paid to redress their grievances?

(c) Will Government be pleased to state by how much Government revenue has decreased in *charas* shops' auction in 1932 as compared with the previous year 1931 owing to this *charas* smuggling in Delhi?

(d) Is it a fact that the above excise clerk [referred to in part (a)] is a resident of Delhi and is working in the Excise Office from the year 1925, and are Government aware that he has much influence with the local smugglers?

(e) Is it a fact that this excise clerk was transferred from the excise to some other department in 1929, but that the Excise Officer and Excise Inspector tried their best to call him back after four or five months only and that since then he is again in the same office?

The Honourable Sir George Schuster: With your permission, Sir, I will reply to questions Nos. 582 and 583 together.

Enquiries are being made and the information asked for by the Honourable Member will be laid on the table in due course.

HEAVY TRAFFIC OF COCAINE AND CHARAS IN DELHI.

†583. *Mr. S. G. Jog: (a) Is it a fact that the same excise staff has been in Delhi for the last five or six years? If so, will Government be pleased to state why they have not been transferred?

(b) Do Government propose to entrust the suppression of cocaine and *charas* traffic direct to the C. I. D. and its new C. I. A. Departments?

(c) Are Government prepared to commend to the present officials in Delhi to follow the example and policy of Mr. G. M. Young, I.C.S., ex-Deputy Commissioner of Delhi who took personal interest in such matters?

ALLEGED CORRUPTIONS IN THE DELHI NAZUL DEPARTMENT.

584. *Mr. S. G. Jog: (a) Is it a fact that the Excise Officer, Delhi, is also in charge of the Nazul Department of Delhi (as a Nazul Officer)?

(b) Are Government aware that for the last four or five years there are many complaints of the Delhi public about the corruption in this Nazul Department also and that they have brought this fact to the notice of the Nazul Officer many times, but nothing has been done to remove the corruption?

†For answer to this question, see answer to question No. 582.

(c) Are Government aware that if any member of the public brings any complaint against any person of the Nazul Department, the Nazul Officer does not pay any heed to it and treats such persons badly instead of making any enquiry into the matter?

(d) Are Government aware that this corruption is not even limited to the public only, but that it is even affecting Government revenue as well?

(e) Is it a fact that the Nazul Superintendent has misappropriated Government money? If so, will Government be pleased to state the full history, showing how much Government money he has misappropriated and how and when Government realised that money from him?

Mr. G. S. Bajpai: Enquiries have been made from the Local Administration, and a reply will be laid on the table of the House in due course.

MILEAGE OF THE NORTH WESTERN, EAST INDIAN AND EASTERN BENGAL RAILWAYS.

585. *Dr. Ziauddin Ahmad: What is the mileage of the North Western (including strategic lines), East Indian and Eastern Bengal Railways?

Mr. P. R. Rau: The route mileage open on the 31st March, 1932, was as follows:

North Western (including strategic lines) Railway system	7,002
East Indian Railway system	4,348
Eastern Bengal Railway system	1,947

APPOINTMENT OF ONE AGENT FOR THE EAST INDIAN AND EASTERN BENGAL RAILWAYS.

586. *Dr. Ziauddin Ahmad: (a) Is it a fact that the Agent of the East Indian Railway is soon going to retire?

(b) Is it not a fact that the present Agent of the Eastern Bengal Railway has acted for some time as Agent of the East Indian Railway?

(c) Do Government propose, as a measure of economy, to entrust the work of both the lines to one Agent? If not, why not?

Mr. P. R. Rau: (a) and (b). Yes.

(c) Government have not lost sight of the possibilities of savings that may be effected through suitable amalgamations of existing railway systems. As my Honourable friend is no doubt aware, the opportunity was taken on the termination of the contracts of the East Indian and the Great Indian Peninsula Railways Companies in 1925 to carry out such an amalgamation with the result of the abolition of the Oudh and Rohilkhand Railway as a separate administration. The amalgamation of the East Indian and Eastern Bengal Railway Administrations presents, however, special administrative difficulties as the former is, apart from mileage, much the biggest railway system in India and the addition of a line of considerable length and with different and difficult problems of its own, like the Eastern Bengal Railway, might make the system unwieldy. A redistribution with the object of eliminating one railway administration might be easier when the Bengal and North Western Railway or the Assam Bengal Railway is taken over by Government as in that case it may be possible

to combine the metre gauge portion of the Eastern Bengal Railway with the other metre gauge systems and to hand over the broad gauge system to the East Indian Railway. Government recognise, however, that the suggestion is one that deserves serious consideration and it will be carefully considered, but they must at the same time make it clear that the facts mentioned in the first two parts of this question are by themselves insufficient grounds for considering such an amalgamation.

REPORT OF THE MISRA COMMITTEE ON THE POSITION AND SALARY OF TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

587. ***Dr. Ziauddin Ahmad:** Will Government be pleased to lay on the table or in the Library a copy of the report of the Committee presided over by Mr. Misra, Deputy Agent, East Indian Railway, on the position and salary of T. T. Es.? When was the report submitted to the Railway Board? Was the report lost in the office or by a Member of the Railway Board? Did the Railway Board obtain a duplicate copy of the report?

Mr. P. R. Rau: The report is a confidential report and not meant for publication. Government are unable to place a copy of it in the Library.

2. It was submitted in August last.

3. It is true that a copy was mislaid in the office of the Railway Board, but it was a printed report, and there was no difficulty in obtaining additional copies.

ALLEGED LACK OF ADMINISTRATION AND SUPERVISION OF THE SUPERINTENDENT OF EDUCATION, DELHI.

588. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Has the attention of Government been drawn to the article published in the *Weekly Mulk* of Azamgarh, No. 1, dated the 8th January, 1933, about the lack of administration and supervision of the Superintendent of Education, Delhi? If not, do Government propose to see the article?

(b) Is it a fact that the Educational Code of the Punjab, followed in the Delhi Province, provides that before granting recognition to any institution it should be seen by the inspecting officers that there is no undesirable person on the staff of the institution?

(c) Is it a fact that in spite of the knowledge that a Head Master taking part in *anti*-Government movements and who has been condemned by the Educational authorities of another province was kept in an institution, the institution was inspected and recognised by the present Superintendent of Education, Delhi, or on his recommendation by the Secondary Education Board, Delhi?

Mr. G. S. Bajpai: (a) No.

(b) Yes.

(c) Enquiries are being made and a reply will be furnished to the House as soon as possible.

HIGH SCHOOLS RECOGNISED BY THE SECONDARY EDUCATION BOARD, DELHI.

589. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) How many high schools were recognised by the Secondary Education Board, Delhi, on the recommendation of the Inspection Committee, after the appointment of the present Superintendent of Education? What are the names of those schools and by which community are they maintained?

(b) Is it a fact that the Inspection Committee of the Board consists of three members, *viz.*, (1) the Superintendent of Education, who works as Chairman, (2) a nominee of the Superintendent of Education, who generally nominates his subordinate—the District Inspector of Schools, and (3) a nominee of the Board?

(c) Is it a fact that at least in one of the high schools recognised in 1931-32, the Head Master was a man who was condemned by the authorities of the Punjab Education Department for taking part in *anti*-Government movements?

(d) Is it a fact that the Superintendent of Education, Delhi, was informed about the activities of the Head Master mentioned in part (c) above, and he made an enquiry from the Inspector of Schools, Ambala Division? If so, will Government be pleased to lay on the table a copy of the letter in which the antecedents of the Head Master were inquired into and a copy of the letter from the Inspector of Schools, Ambala Division, in reply to the enquiry?

(e) Is it a fact that after receiving the reply from the Inspector of Schools, Ambala, the Superintendent of Education did not ask the school management to terminate the services of the Head Master, but went with the Inspection Committee of the Board and recommended recognition to the School?

(f) Do Government propose to give an assurance that in future rules will not be violated and that undesirable teachers, condemned by the educational authorities of the neighbouring provinces, will not be allowed to work in the Delhi Province?

Mr. G. S. Bajpai: Enquiries are being made and a reply will be furnished to the House as soon as possible.

SUPERINTENDENT OF THE OFFICE OF THE POSTMASTER GENERAL, PUNJAB AND NORTH-WEST FRONTIER CIRCLE.

590. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that the appointment of the Superintendent of the office of the Postmaster General, Punjab and North-West Frontier Circle, has been held exclusively by Hindus for the last twenty-five years?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state the names of the next two officials of the office of the Postmaster General, Punjab and North-West Frontier Circle, eligible for promotion as Superintendent according to the existing system of restricting promotions to the Circle officials?

(c) Will Government be pleased to state the name of a Muslim who can hold the Superintendent's post, according to the existing procedure, and how many years hence approximately will he hold the post?

The Honourable Sir Frank Noyce: (a) to (c). I would remind the Honourable Member that I have already given him most of the information for which he asks, in reply to his starred questions Nos. 1448 and 1680 on the 28th November and on the 14th December, 1932, respectively. Government are not in a position to furnish in advance information regarding eligibility of officials for promotion as this is determined when the occasion for it actually arises.

HEAD CLERKS IN THE OFFICE OF THE POSTMASTER GENERAL, PUNJAB AND NORTH-WEST FRONTIER CIRCLE.

591. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that twelve out of the thirteen appointments of Head Clerks in the Office of the Postmaster General, Punjab and North-West Frontier Circle, are held by Hindus?

(b) Is it a fact that according to the seniority list there is absolutely no chance for a Muslim of the office of the Postmaster General, Punjab and North-West Frontier Circle, being promoted as Head Clerk of the same office?

(c) Is it a fact that the following officials belonging to the Circle were imported to the said Circle Office:

- (1) Mr. Ghulam Nabi Aziz, (2) Mr. Mohd. Jamil, (3) Mr. Jainti Pershad, (4) Mr. Achhrumal?

(d) Is it also a fact that the following officials were transferred from the said Circle Office to the Circle:

- (1) Mr. Hakumat Rai, (2) Mr. Jamita Ram, (3) Mr. Chander Bhan, (4) Mr. Ghulam Nabi Aziz, (5) Mr. Iqbal Nath?

(e) Are Government prepared to order that the Selection Grade appointments in the Circle and Circle Offices should be made interchangeable in order to remove communal inequalities?

The Honourable Sir Frank Noyce: (a) to (e). The Honourable Member is referred to the reply given by me on the 14th December, 1932, to his starred question No. 1681 in which the same information was asked for.

APPOINTMENT OF THE APPOINTMENT CLERK IN THE PUNJAB AND NORTH-WEST FRONTIER POSTAL CIRCLE OFFICE FROM COMMUNITIES DIFFERENT FROM THOSE TO WHICH THE SUPERINTENDENT BELONGS.

592. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that the Postmaster General, Punjab, has issued a standing order to the effect that in the Divisions, Superintendents of Post Offices and their Head Clerks should belong to different communities?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state the reasons for which the above procedure is not followed in the Punjab and North-West Frontier Postal Circle, where the Superintendent and the appointment clerk have been both Hindus for the last several years?

(c) Is it a fact that the appointment clerk in the Circle Office is directly responsible to the Office Superintendent and not to the Head Clerk of the Branch?

(d) If the reply to part (c) above be in the affirmative, do Government propose to order that the appointment clerk should be a Muslim so long as the Office Superintendent happens to be a Hindu?

Sir Thomas Ryan: With your permission, Sir, I propose to reply to questions Nos. 592 and 598 together. The Honourable Member's attention is invited to the reply which I gave to his starred question No. 1682 in this House on the 14th December, 1932.

LEAKAGE OF IMPORTANT INFORMATION FROM THE PUNJAB AND NORTH-WEST FRONTIER POSTAL CIRCLE OFFICE.

593. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that due to leakage of important information from the Punjab and North-West Frontier Circle Office, the Postmaster General had to issue warnings on several occasions?

(b) Is it a fact that quite recently a clerk of the said Circle Office was caught red-handed while intercepting the official document?

(c) Will Government be pleased to state the action taken or proposed to be taken in the matter?

Sir Thomas Ryan: (a) to (c). The Honourable Member's attention is invited to the reply I gave to his starred question No. 1683 in this House on the 14th December, 1932.

SUPERINTENDENTS OF THE RAILWAY MAIL SERVICE DIVISIONS IN THE PUNJAB AND NORTH-WEST FRONTIER POSTAL CIRCLE.

594. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that the charge of both Railway Mail Service Divisions in the Punjab and North-West Frontier Circle is held by non-Muslim Superintendents?

(b) If the answer to part (a) above be in the affirmative, are Government prepared to issue instructions that one of the two Superintendents in the Railway Mail Service Divisions be replaced by a Muslim Superintendent to safeguard the interests of the Muslim employees of the Railway Mail Service Branch?

The Honourable Sir Frank Noyce: (a) Yes, there has been no change in the position since the reply given to the Honourable Member's identical question on December the 14th last.

(b) No, as such postings are not made solely on communal considerations.

RETRENCHMENT IN THE PUNJAB POSTAL CIRCLE.

595. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that the Government of India issued instructions to the effect that, while retrenching the staff, due regard should be given to the fact that the ratio of each community, as it stood prior to reduction, is maintained?

(b) Is it a fact that the ratio of Muslims and non-Muslims before and after retrenchment in the grades of Rs. 250—850 and Rs. 160—250

in the Punjab Postal Circle is correct as given below? If not, will Government supply correct figures?

(Grade 250—350.)

	Hindus. (Percentage.)	Muslims. (Percentage.)	Sikhs. (Percentage.)	Christians. (Percentage.)
Prior Reduction . . .	4 (28.6%)	5 (35.7%)	3 (21.4%)	2 (14.3%)
After Reduction . . .	7 (46.6%)	4 (26.6%)	1 (6.6%)	3 (20%)

(Grade 160—250.)

	Hindus. (Percentage.)	Muslims. (Percentage.)	Sikhs. (Percentage.)	Christians. (Percentage.)
Prior Reduction . . .	131 (62%)	60 (28%)	14 (7%)	6 (3%)
After Reduction . . .	139 (66%)	52 (24%)	13 (7%)	6 (3%)

(c) If the reply to part (a) above be in the affirmative, will Government be pleased to state the reasons for infringing Government's orders on the subject?

The Honourable Sir Frank Noyce: With your permission, Sir, I propose to take questions Nos. 595 and 596 together.

These questions were answered by me as recently as the 14th December last, *vide* my replies to the Honourable Member's starred questions Nos. 1686 and 1687 which were given on that date. I would also invite the Honourable Member's attention to the statement laid on the table on the 8th instant in connection with his latter question.

RETRENCHMENT OF SELECTION GRADE OFFICIALS IN THE PUNJAB POSTAL CIRCLE.

†596. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that out of 46 Selection Grade officials retrenched in the Punjab Postal Circle, as many as 23 officials (20 Hindus and 3 Muslims) were already on extension of service?

(b) Is it a fact that out of the remaining 23 retrenched officials, who had not yet superannuated, as many as 16 Muslims and 7 non-Muslims were retrenched?

(c) If the reply to parts (a) and (b) above be in the affirmative, will Government be pleased to state what action they propose to take to right the wrong done to the Muslims?

MOSQUE IN THE COMPOUND OF THE KARACHI GENERAL POST OFFICE.

597. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Will Government be pleased to lay on the table a copy of the letter, dated the 15th October, 1932, issued by the Director, Sind and Baluchistan Postal Circle, regarding the use of a mosque in the compound of the Karachi General Post Office, to the Postmaster, Karachi?

(b) Is it a fact that the Director-General, Posts and Telegraphs, in his letter, dated the 16th December, 1932, did not approve of the orders referred to in part (a) above and asked the Director to modify his orders according to his instructions?

†For answer to this question, see answer to question No. 595.

(c) Will Government be pleased to lay on the table a copy of the letter dated the 16th December, 1932, issued by the Director General, Posts and Telegraphs, referred to in part (b) above?

The Honourable Sir Frank Noyce: (a) to (c). Government do not propose to place on the table copies of the departmental correspondence to which the Honourable Member refers, but I may explain briefly that certain questions connected with the structure under reference having arisen these were dealt with by an order issued by the Director of Posts and Telegraphs, Sind and Baluchistan Circle. That order appeared to have been inspired by a desire to reconcile as far as possible the requirements of the staff on the one hand and the rights of Government on the other. When the case came under review by the Director General he formed the opinion that the Director's order was of somewhat doubtful correctness, and he therefore instructed the Director that if there should be occasion to pursue the matter he should consult and be guided by the advice of the District Magistrate.

APPOINTMENT OF HEAD CLERKS TO SUPERINTENDENTS OF POST OFFICES FROM COMMUNITIES DIFFERENT FROM THOSE TO WHICH THE SUPERINTENDENT BELONGS.

†598. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): (a) Is it a fact that the Postmaster General, Punjab and North-West Frontier Postal Circle, issued instructions to appoint Head Clerks to Superintendents from communities different from those to which the Superintendents belong in order to minimise the chances of miscarriage of justice?

(b) Will Government be pleased to state the particulars of the Divisions in which the system alluded to in part (a) above is not observed in the Punjab and North-West Frontier Postal Circle?

(c) Will Government be pleased to state the names of the other Circles in which the above system is not observed and, if not, why not?

STATUS OF HEADMASTERS OF RAILWAY INDIAN HIGH SCHOOLS.

599. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Mr. M. Maswood Ahmad): Will Government be pleased to state whether they treat the Headmasters of Indian High Schools as subordinates, while at the same time treating even the Assistants at Oakgrove School, on lesser scale of pay and status, as officers? If so, why?

Mr. P. R. Rau: So far as I am aware, the Assistants at Oakgrove School are not treated as officers, except in the matter of passes, which, as I have already explained, is a concession purely personal to the present incumbents.

Kunwar Hajee Ismail Ali Khan: Are Government paying any contribution to the Oakgrove School?

Mr. P. R. Rau: The expenditure on the Oakgrove School is met from railway revenues.

† For answer to this question, see answer to question No. 592.

MOTION FOR ADJOURNMENT.

BAN ON THE HOLDING OF THE INDIAN NATIONAL CONGRESS IN CALCUTTA.

Mr. Chairman (Sir Hari Singh Gour): I have received two notices, one from Mr. Jog and the other from Pandit Sen. Mr. Jog proposes to ask for leave to make a motion for the adjournment of the business of the House today for the purpose of discussing a definite matter of urgent public importance, namely, the reported ban on the holding of the Indian National Congress at the end of March at Calcutta. Does the Honourable Member propose to press his motion for the adjournment of the House?

Mr. S. G. Jog (Berar Representative): Yes, Sir.

Mr. Chairman (Sir Hari Singh Gour): I have to inquire whether any Honourable Member has any objection to Mr. Jog's motion.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhamadan Rural): I object to this motion, because I think it is premature as the Mover of this motion has based it on newspaper reports of the ban placed by Government on the holding of the Congress. I have read them carefully and so far as I can see it does not come from any authoritative source, least of all from Government. If there is any statement from Government to that effect, then certainly it will be for the House to pass a motion for adjournment. Therefore, I oppose this motion at this stage.

Mr. S. G. Jog: I should like to make the position clear. This morning I gave notice of two short notice questions. In the meantime I saw in the daily papers about this ban that Government are going to put on the holding of the Congress Session in Calcutta. I want to find out from Government whether the report in the papers is correct and in that respect I have given two short notice questions. I should like to know from the Member in charge whether he is prepared to admit those questions. I for one would like to suspend the moving of my adjournment motion till I get an official reply on this point.

The Honourable Sir Harry Haig (Home Member): Sir, I do not wish to leave the House in any doubt as to the position. The statement published in the newspapers is perfectly correct.

Mr. S. C. Mitra: Was it an inspired statement from the Government?

The Honourable Sir Harry Haig: I think, Sir, the statement on the face of it professes to be based on inquiries in official circles. Those inquiries elicited the facts.

Mr. S. C. Mitra: Did the Government come to the conclusion after hearing also the Associated Press report that the Congress leaders this Session only wanted to consider their attitude towards the White Paper on constitutional advancement?

Mr. Chairman (Sir Hari Singh Gour): Order, order. That is not the question that arises at the present moment. The only question that arises here is this. Mr. Jog and Pandit Satyendra Nath Sen have given notices of adjournment motions based upon information published by a Press agency. The Honourable the Home Member has informed the House that the information published by the Press agency is authentic and that disposes of the objection that would arise and that has been taken by Mr. Mitra. I have now to ask whether any Honourable Member has any objection to this motion. The Leader of the House.

The Honourable Sir Brojendra Mitter (Leader of the House): So far as Government are concerned, they have no objection.

Mr. S. C. Mitra: As I have said, any case for the adjournment of the House will arise in future on the reply that we will receive from the Honourable the Home Member. I think we should not take advantage of this answer for the adjournment of the House at this stage.

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): On a point of order. When the Honourable the Home Member gave certain information, was it in reply to any short notice question or was it gratuitously forced on this House? No short notice question was allowed to be put. You did not call upon anybody to answer any short notice question. Yet the Honourable the Home Member went out of his way, for what reason we do not know. He is not so very alert or anxious to answer such questions ordinarily. Was he in order, Sir.

Mr. Chairman (Sir Hari Singh Gour): The Honourable the Home Member was perfectly within his rights in informing the House as to the authenticity of the information published by the Press agency and I think it is not only his right but his duty to take the earliest opportunity of informing this House as to what the true facts are.

As objection has been taken, I would request those Honourable Members who are in favour of leave being granted to rise in their places.

(After counting.)

As less than 25 Members have stood up, the Honourable Member has not got the leave of the House to move his motion.

I have received another motion from Pandit Satyendra Nath Sen that he proposes to ask for leave to make a motion for the adjournment of the business of the House today for the purpose of discussing a definite matter of urgent public importance, namely, the Government ban on the holding of the Congress at Calcutta. I have to inquire whether any Honourable Member has any objection to this motion.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhamadan Urban): This question has already been decided by the House. The previous motion has not been accepted by the House and it is an elementary principle that the same question cannot be raised again when the question has been disposed of by the previous motion.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member can object to this, if he wants to.

Diwan Bahadur A. Ramaswami Mudaliar: I am not objecting to it. I am raising a point of order. The stage of objection will come later. My point of order is that this motion has been blocked by the previous motion.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadian Rural): Can the Honourable Member go behind the ruling of the Chair?

Mr. Chairman (Sir Hari Singh Gour): Order, order. I have to inquire whether any Honourable Member has any objection to this motion.

Mr. S. C. Mitra: I take objection.

Mr. Chairman (Sir Hari Singh Gour): As objection has been taken, I would request those Honourable Members who are in favour of leave being granted to rise in their places.

(After counting.)

Order, order. As less than 25 Members have risen, I have to inform Pandit Satyendra Nath Sen that he has not the leave of the House to move the motion.

STATEMENTS LAID ON THE TABLE.

Mr. H. A. F. Metcalfe (Foreign Secretary): Sir, I lay on the table the information promised in reply to starred questions Nos. 1688 and 1689 asked by Mr. M. Maswood Ahmad on the 14th December, 1932.

MEMBERS OF THE DELHI ROYAL FAMILY IN INDIA.

*1688. (a), (c) and (d) I would refer the Honourable Member to my answer to his question No. 47 on the 1st February, 1933.

(b) Exact figures are not available but enquiries show that there are 333 members of the Delhi ex-Royal Family in receipt of pensions or allowances from Government in Delhi, United Provinces and Burma.

MEMORIAL OF ANJUMAN KHANDAN-I-JEHANDAR SHAH, BENARES, TO THE GOVERNMENT OF INDIA.

*1689. I would refer the Honourable Member to my answer to his question No. 47 on the 1st February, 1933.

Sir Thomas Ryan (Director General of Posts and Telegraphs): Sir, I lay on the table the information promised in reply to supplementary questions to starred question No. 642 asked on the 22nd September, 1932, and also the information promised in reply to starred question No. 252 asked on the 8th February, 1933.

REMOVAL OF HIS OFFICE BY THE SUPERINTENDENT OF POST OFFICES, NILGIRIS, TO A BUILDING OWNED BY HIM.

*642. After an investigation into the case the Government are satisfied that the rent charged for the building occupied as the office and residence of the Superintendent of Post Offices, Nilgiri Division, was not unreasonable.

DISCHARGED APPROVED CANDIDATES OF THE CALCUTTA GENERAL POST OFFICE.

*252. (a) Yes.

(b) 73. The periods of their candidature varied from about a year to 3½ years.

(c) 13.

(d) No, not from 1927 but from 1929. Vacancies in the Calcutta General Post Office were kept unfilled for the provision of departmental staff of the Treasury Department of the General Post Office, which it was then proposed to run under a contract.

(e) Yes. 23 surplus officials from each of the two offices named.

(f), (g) and (h). There is, no doubt, hardship as suggested; and this is why the provision of such candidates in alternate vacancies in the lower division clerical cadre has been ordered as a special case. In this connexion the Honourable Member is referred to the replies given to starred question No. 768 of Mr. P. G. Reddi on 26th September, 1932, and to part (a) of No. 1339 of Seth Haji Abdoola Haroon on 21st November, 1932.

Mr. P. R. Rau (Financial Commissioner, Railways): Sir I lay on the table:

(i) the information promised in reply to starred questions Nos. 956, 957 and 958 asked by Kunwar Hajee Ismail Ali Khan on the 8th November, 1932;

(ii) the information promised in reply to starred question No. 1490 asked by Mr. Gaya Prasad Singh on the 28th November, 1932; and

(iii) the information promised in reply to starred question No. 857 asked by Khan Bahadur Haji Wajihuddin on the 18th March, 1932.

CONSOLIDATED ALLOWANCES OF TICKET COLLECTORS ON THE EAST INDIAN RAILWAY.

*956. (a) This is due to the fact that at the time ticket collectors were not considered eligible for it;

(b) The reply is in the affirmative.

(c) The reply is in the affirmative. In this connection attention of the Honourable Member is invited to the reply given to part (a) of question No. 1122 asked by Sheikh Fazal Haq Piracha, M.L.A.

(d) The attention of the Honourable Member is invited to the reply given to item (c) above.

(e) Attention is invited to the position as explained in reply to part (a) of Sheikh Fazal Haq Piracha, M. L.A.'s question No. 1122 (a) already referred to. Only those who are eligible for the consolidated travelling allowance are also eligible for it while on stationary duties.

(f) Government do not consider that it is in the public interest to place a copy of the correspondence in question on the table.

(g) The question considered in the correspondence was only with regard to the eligibility for consolidated travelling allowance while on stationary duty. The Chief Accounts Officer's letter cannot be construed to mean that the allowance can be given when on stationary duties, to employees who were not eligible for it under the rules.

IGNORING THE CLAIMS OF OLD TRAVELLING TICKET INSPECTORS ON THE EAST INDIAN RAILWAY.

*957. (a) The merits of such individuals were carefully considered and those most suitable were selected for the Travelling Ticket Examiners' posts.

(b) The reply given to the question referred to by the Honourable Member did not imply such acknowledgment.

(c) No such posts existed in the Accounts Department.

(d) Six.

DISCHARGE AND RE-APPOINTMENT OF SOME TRAVELLING TICKET INSPECTORS ON THE EAST INDIAN RAILWAY.

*958. (a) The reply is in the affirmative.

(b) The abolition of the Crew System rendered a certain number of crew staff surplus and the four Travelling Ticket Inspectors referred to were discharged as least efficient. However, on reconsideration, owing to their past record, all the four Travelling Ticket Inspectors were permitted to continue in the service.

(c) Three of them are working as Travelling Ticket Examiners, Grade I, on the maximum of their grade while the fourth has since proceeded on voluntary retirement.

(d) While the general conditions of service are the same there are particular rules and conditions applicable to various sets of employees.

SALE OF MINERAL WATERS, AERATED WATERS, ICE, ETC., ON THE EAST INDIAN RAILWAY.

*1490. (a) The Agent, East Indian Railway, reports that the Carlsbad Company have held the contract for the sale of ice and aerated waters in running trains on the East Indian Railway since 1923. Applications were called for for this contract. The resources of all applicants were inspected and this Company, though its quotations were not necessarily the lowest, was selected as being the most up-to-date and best able to satisfactorily carry out the terms of the contract.

(b) Yes, owing to the fact that supplies were being obtained from uninspected sources. The reason why Messrs. Kellner & Company were not restricted is due to that firm having supplied mineral waters in refreshment rooms for many years and to their installation having been under medical inspection. The Agent reports that Messrs. Murray & Company and Messrs. Kapoor and Company have since provided their own installations, which have been inspected and approved by the Medical Department. Government do not doubt that there may be other firms whose charges are lower than those of the Carlsbad Company, but due regard must be had to the quality and hygienic production of supplies.

The Agent of the East Indian Railway reports that he is considering the feasibility of selecting and notifying certain approved manufacturers from whom supplies can in future be obtained.

(c) The Carlsbad Company is not an English or European concern. The question of permitting Indian refreshment rooms to purchase mineral water supplies from certain approved manufacturers is under the consideration of the Agent.

(d) Government are not aware that such an impression prevails, but if it does, they are satisfied that it is unfounded.

With reference to the supplementary question by Mr. Maswood Ahmad, the Agent reports that the East Indian Railway Administration does not receive any sum of money from the Carlsbad Company in consideration of the contract being given to them. The Company have only deposited a sum of Rs. 5,000 as security for due fulfilment of contract.

SUPPLY OF ICE AND MINERAL WATER ON THE EAST INDIAN RAILWAY.

*857. The Agent, East Indian Railway, reports that when applications for the ice and mineral water contract on the East Indian Railway were called for, the contract was not given to the applicant who quoted the lowest rate. The applications received, 29 in number, were carefully examined by the Administration, who decided not to change the previous contractor, after they had satisfied themselves that the applicants who had quoted lower rates than the successful one were not in a position to supply ice and mineral water of equally good quality, to the extent of the quantity required, manufactured in as hygienic a manner. This decision was taken with a view to ensuring that the standard of quality of the mineral waters then being sold throughout the Railway should not in any way be lowered. Government do not consider that any further action on their part is called for.

2. With regard to the question of reducing the price of ice and mineral waters on the East Indian Railway to the level of the rates obtaining on the North Western Railway, I would point out (1) that ice is sold at a flat rate of 0-2-0 a seer on the East Indian Railway whether on platforms or in refreshment rooms, whereas on the North Western Railway there are varying rates and the average price per seer works out to 0-2-9, and (2) as regards mineral waters, that the bottles on the East Indian Railway are of 12- and 14-ounce capacity (for sweet waters and soda respectively) against 10 and 12 ounces on the North Western Railway. It must however be admitted that the rates on the North Western Railway are generally lower than on the East Indian Railway and the attention of the Agent, East Indian Railway, is being drawn to this fact.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

Mr. Chairman (Sir Hari Singh Gour): Further consideration of the following motion moved by Sardar Sant Singh on the 9th February, 1933:

"That the Bill further to amend the Code of Criminal Procedure, 1898, be referred to a Select Committee consisting of the Honourable Sir Harry Haig, Sir Hari Singh Gour, Mr. S. C. Mitra, Rao Bahadur B. L. Patil, Mr. Lalchand Navalrai, Mr. Abdul Matin Chaudhury, Mian Muhammad Shah Nawaz, Mr. B. R. Puri, Sir Abdur Rahim, Mr. Gaya Prasad Singh, Mr. D. G. Mitchell, Rao Bahadur S. R. Pandit and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): With your permission, Sir, I want to make a statement on behalf of Sardar Sant Singh, the author of this Bill. Sir, while he considers this Bill to be very important, and I also share with him in that view that this Bill is essentially necessary as it aims at removing certain defects in the Criminal Procedure Code, he has authorised me to make a statement that in view of the fact that he has already consented to preference being given to the Untouchability Bill, he would be very glad to give facilities for that purpose. I am, therefore, authorised by him to request the House, through you, to agree that the further discussion of this Bill be not taken up at this moment. I now request you to ask the House not to take this Bill into consideration for the present.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is perfectly aware that after a motion for consideration or reference to a Select Committee is made, the matter passes out of the hands of the Chair or of the Mover of the Bill and that it is a matter entirely in the hands of the House. Consequently no Mover or his vicarious representative in this House can withdraw a Bill once it is under consideration by the House.

Mr. Lalchand Navalrai: Sir, among the Standing Orders there is one to the effect that the Mover of the Bill can ask the House for withdrawal at any moment.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Mover of the Bill has not asked for any leave to withdraw the Bill.

Mr. Lalchand Navalrai: My submission, Sir, is that while I am also conscious of the fact that the Standing Order says that it is the Mover who can apply for withdrawal, that rule can be waived by the Chair and that you may, Sir, be pleased to allow me on his behalf to move his motion.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Chair cannot read the Standing Order to mean Mr. Lalchand Navalrai for Sardar Sant Singh.

Mr. Lalchand Navalrai: In that case I would move that the question be now put.

Mr. N. M. Joshi (Nominated Non-Official): I want to make a motion, Sir:

"That the further consideration of Sardar Sant Singh's Bill be adjourned."

Mr. Chairman (Sir Hari Singh Gour): Motion moved that the consideration of the motion moved by Sardar Sant Singh which I have already read out be adjourned.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Sir, nobody has got any right to move a motion like this in the absence of the Mover of the Bill which is in the seisin of this House and no Vakalatnama or power-of-attorney can give power to any Member of this Assembly to move on his behalf for the adjournment or otherwise of this Bill which, according to the Rules and Standing Orders, would then lapse,—and that is the usual course

An Honourable Member: And no one should oppose it in the absence of the Mover as well.

Mr. K. Ahmed: and, therefore, it will have a natural death. (Voices: "No, no.") Therefore, Sir, no amount of help or sympathy on the part of my Honourable friend, Mr. Joshi, or my Honourable friend from Karachi will be of any use. Under the circumstances, I would ask you, Sir, not to take any notice of this motion, because if you put this motion to the vote of this House, you will have to quote authority from the Rules or Standing Orders. How can a third person take up the matter and ask, on his behalf, that there should be an adjournment, which, as you have hitherto observed, Sir, has already gone out of the hands of the Mover. Of course, before the House decides by a majority of votes whether the Bill shall be referred to a Select Committee or not, another view can be accepted only by you giving an adjournment if you think it necessary if the Mover of this Bill was here on his legs and

only if he had asked that he wanted an adjournment. On the contrary, he is probably avoiding his own presence (Laughter), because he has got some other object in view

Mr. Chairman (Sir Hari Singh Gour): Order, order. Mr. Joshi has moved that the further consideration of this motion do stand adjourned and it is within the right of any Honourable Member to make a motion of the kind that has been made and I hold that it is in order. I shall now hear if any Honourable Member has got anything to say on the question of adjournment.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, on a point of order. Before the Honourable Mr. Joshi moved his motion, there was a specific motion moved by the Honourable Mr. Lalchand Navalrai for putting the question for closure; and referring to Standing Order 32, which is reported on page 32 of the Manual, it is clear that it is the option of the President to accept the closure or not, but that, if he accepts the closure, then there is nothing left to him but to put that closure motion before the House. Sir, I would like to know whether you think it proper now to accept the motion for closure as put by Mr. Lalchand Navalrai. If you accept it, then of course there is no course open but to put it to the House.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member did not listen to what Mr. Lalchand Navalrai said. He said he was asking for the withdrawal of the motion.

Mr. Lalchand Navalrai: No, Sir. I shall explain myself. My first motion was really for withdrawal, and, when it was not allowed, I made the motion:

"That the question be now put."

Mr. C. O. Biswas (Calcutta: Non-Muhammadan Urban): On a point of order, Sir. When a motion is moved that the further consideration of the matter do stand adjourned, is it not obligatory on the Mover to specify the date to which the discussion should be adjourned?

Mr. Chairman (Sir Hari Singh Gour): Order, order. I shall now deal with the two points that have been raised. I understand Mr. Lalchand Navalrai moved the motion for closure. I think I am not in a position to accept that motion at this stage, because on a very important Bill of this character only six Honourable Members have spoken so far and no one on behalf of Government has spoken on the subject. I would not be justified, therefore, in accepting the closure at this stage.

As regards Mr. Joshi's motion that the debate do stand adjourned, that is a motion which this House will have to decide.

Mr. N. M. Joshi: With your permission, I would like to modify my motion, Sir. I now move:

"That the consideration be adjourned till the Simla Session of the Assembly."

Mr. Chairman (Sir Hari Singh Gour): Has any Honourable Member any observations to make upon the motion moved?

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): May I make a submission, Sir? This request has been made, because the original request made by Mr. Lalchand Navalrai that the Bill be withdrawn or that the question be put has been defeated and this is only a philanthropic motion in order to allow certain Bills to come outside their usual number and because certain Members have given an undertaking that it shall be done. I submit, it is not a *bona fide* motion. It has not been moved, because there is any difficulty in proceeding with this motion at all. The Honourable Mr. Joshi has not assigned any reason as to why all of a sudden this original motion of Sardar Sant Singh should be adjourned. The Government attitude has not yet been made known to the House and the Honourable the Leader of the House, who is also the Law Member, would, I hope, in time tell us what exactly the views and the attitude of the Government are. There is absolutely no reason why this motion, which, I again repeat, is not a *bona fide* motion, be put and thereby disturb the order of motions on the agenda paper for the benefit of certain Members whose only merit is that they shout the loudest. Therefore, I oppose this motion.

Mr. K. Ahmed: I was speaking at the time you interrupted me that there is an objection to the motion of Mr. Joshi for the adjournment of the debate, because the Mover of the Bill, who is in possession of the Bill as far as this House is concerned, is not present. In his absence there is no life in the Bill. My friend, Mr. Joshi, however, wants that notwithstanding the fact that the Mover of the Bill is not in the House and in spite of his writing to my friend, Mr. Lalchand Navalrai, that he does not like that there should be an adjournment of the debate—in fact, he wants that this Bill should be withdrawn—that further debate of this Bill be adjourned. On the face of it, it is rather an extraordinary attitude for my friend, the Labour leader, to adopt. I am afraid he is asking a frivolous thing from the House. There is no logic in it, nor has it the support of the Standing Orders. According to the rules, in the absence of the Mover of the Bill, no Member is authorised to make a motion of the kind that Mr. Joshi has made. How is it possible

Mr. Chairman (Sir Hari Singh Gour): Order, order: I have not yet been able to grasp what the Honourable Member is speaking about. Is he opposing the motion for adjournment or raising a point of order, or doing both?

Mr. K. Ahmed: I am doing both. I am entitled not only to oppose the motion for adjournment, but also to say that it does not lie with the Chair to allow such a frivolous motion to be moved.

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): Is this all relevant, Sir?

Mr. Chairman (Sir Hari Singh Gour): Order, order. I cannot permit the Honourable Member to combine in one speech the two points that he has raised—one a point of order and, secondly, a speech against or for the substantive motion for the adjournment of the debate. So far as I understand his point of order, namely, that the Chair has got no power to permit the adjournment of a debate, the Honourable Member must

remember that such power has been exercised and will be exercised by the Chair as absolutely essential for the progress of the business of the House. As to the substantive question whether the Chair should or should not allow the adjournment of the debate, the Chair would like to hear Honourable Members before putting it to the vote.

Mr. K. Ahmed: I am very much obliged to the Chair. But it is the Chair who asked me whether I was taking objection on both grounds. I relied on the first ground which you also think is a cogent one. I am, therefore, asking you now to allow the motion which has been moved by my friend, Mr. Joshi, because the Honourable Member from Karachi himself admits although he has not got the Vakalatnama from him

Mr. Chairman (Sir Hari Singh Gour): Order, order: The Honourable Member is out of order. I have already decided that the motion is perfectly in order. Has any Honourable Member got anything to say on the motion for adjournment?

Mr. C. C. Biswas: I do not wish to mince matters. Mr. Lalchand Navalrai has very frankly stated that the object of the motion for adjournment of the debate is to give facility for the introduction of the Untouchability Bill.

Mr. N. M. Joshi: I have got my own Bill.

Mr. C. C. Biswas: For the very same reason, I say, Sir, the adjournment should not be granted. Even at the risk of unpopularity, I do not mind declaring on the floor of this House that the Untouchability Bill is a measure for which no special facilities should be granted. That is the view I hold, and hold it strongly, and on that ground I oppose this motion for adjournment.

Pandit Ram Krishna Jha (Darbhanga *cum* Saran: Non-Muhammadan): I also oppose this motion for adjournment. My firm conviction is that this motion is not a *bona fide* motion. It is merely tactics adopted by this side or that side of the House, and I oppose it on that ground.

U Kyaw Myint (Burma: Non-European): Sir, I am not a Hindu, and the question of untouchability or orthodoxy does not concern me personally. But when Honourable Members of this House accuse the Mover of the present motion of *malâ fides*, I must get up and enter a strong protest. You know, Sir, from your personal experience at the Bar, which is much greater than mine, that such a device is used when a case lower down in the list is given preference, in token of friendship, or when the matter is of public importance. The device is a legitimate device and Mr. Joshi, the Honourable the Mover of the present motion, cannot, therefore, be accused of any improper motive. On this ground I support his motion for the adjournment of the debate.

The Honourable Sir Brojendra Mitter (Leader of the House): I will explain the Government position with regard to this motion for adjournment. This Bill, as Mr. Lalchand Navalrai said, is an important Bill from a certain point of view. It has been debated for more than half a day and, from what Mr. Lalchand Navalrai said, it appears that the Mover himself is not serious about it and he wants to withdraw it. If that be so, why not go on with it, hear the Government

[Raja Bahadur G. Krishnamachariar.]

Before, however, I proceed to that, I will just finish the history of this Bill. When this Bill came up for discussion before this House, there was very strong opposition. Eventually the motion to refer the Bill to Select Committee was negatived. Then they all dispersed and went up to Simla and, in Simla, the attendance was not so strong, and the surrounding cold atmosphere probably deprived them of a great deal of warmth which Members would otherwise have had in connection with an important subject like this. The result was, that taking advantage of the fact that the Simla Session was a separate Session, the same Bill was introduced and a reference to Select Committee was allowed by one vote. The voting was almost equal and there was a majority of only one vote in favour of the motion to refer the Bill to Select Committee and so it went before the Select Committee. Then, there was a lukewarm attendance in the Select Committee and it passed there anyhow and it came back before the House and then it was passed by the House. Then it was placed before the Council of State and that body considered the Bill, and eventually passed it on the 17th July, 1923. The position, therefore, is this: the lawfulness of intermarriage between Hindus, Buddhists, Jains and Sikhs has been upheld by the Legislature and it is the law today. It is that law that I am trying to get repealed with the assistance of this Honourable House for the reasons that I shall presently lay before it to the best of my ability.

With regard to this Bill it was stated that a civil marriage, without reference to race, religion or social distinction, exists in all European countries and it is open to any Indian to contract such marriages in Europe. The Statement of Objects and Reasons says, there is no reason why such a law should not exist in India. I had something to do with law making and although I cannot claim to any distinction in that sphere, I had some little knowledge of it, and I have never come across any Bill introduced in any Legislature where the only reason assigned for asking for legislation is "there is no reason why it should not be done." One would have expected that the reason why it should be done would be placed before the House—not that there is no reason why it should not be done; because the fundamental, the cardinal principle of every legislation is that there should be a demand for it, and this anticipatory legislation has been condemned by all jurists, as it leads to the creation of troubles which do not exist. Just, as for instance, my friend, Mr. Ranga Iyer, read from one of the proceedings of the League of Nations, that a provision, which is unnecessary and inserted in a Bill, creates imaginary ideas as to the existence of necessities of those provisions, and that is a bad thing to do. Consequently, the reason assigned, so far as the Mover of the Bill was concerned, could not have appealed to anybody and it did not appeal to the House in the first instance. Now, another reason assigned is "In view of the growing strength of sentiment in favour of nationalism". What has nationalism got to do with an intermarriage between Hindus, Buddhists, Sikhs and others I do not know. I have not been able to find out: and the numerous opinions that have been collected in this volume, clearly show that nationalism has got nothing to do with a Bill of this nature. In Europe, there has been both *jus connubium* and *jus convivium* for a very long time. That had not saved Europe from the bloodiest war ever known to history; and I believe six million people died in the course of that war. Consequently, nationalism or internationalism has not got any

thing to do with national jealousies or with fundamental differences between race and race and sect and sect. The position with reference to the Act, as it has been enacted, is this. Admittedly Buddhists are dissenters from the Hindu religion. Their most important tenet is that they have rejected caste: they have rejected idol worship and, as every body is aware, the caste distinction, the *Varnashrama Dharma*, is the foundation stone of the Hindu religion . . .

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): It is the stone round your neck and it is dragging you down.

Raja Bahadur G. Krishnamachariar: Those who are of that opinion need not trouble to be in the Hindu fold. The world is very wide outside the Hindu fold; they are quite free to go and quite free to say that they are not Hindus. But what I object and what I very strongly object to on the floor of this House is that a man calls himself a Hindu and yet would not be bound by the conditions which the Hindu religion rightly or wrongly fixed upon a man; that is the position that I am objecting to. Whether you like or whether you do not like the caste system, *Varnashrama* is the corner stone and the foundation of Hinduism. If you do not like it, I cannot compel you to like it; but do not call yourself a Hindu, because it is the standard and criterion upon which a man's position and status as a Hindu is dependent.

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): The Honourable Member is wrong in identifying the caste system with the *Varnashrama Dharma*. *Varnashrama* is certainly part of Hinduism and I accept it, though I do not accept the caste system.

Raja Bahadur G. Krishnamachariar: Thanks for small mercies and for that interruption which, I would respectfully submit is very irrelevant and out of place; caste is, I believe, a term applied by the Portuguese which we Hindus do not understand; all that we do know is *Varnashrama*, and I only used the word caste, because that is the only English word by which this *Varnashrama* is described, so that it may be known to the English speaking people. I object to the word caste if it is applied to *Varnashrama*, and I say that *Varnashrama* is not caste; caste is something quite different, and the Portuguese were the first European immigrants in this place when they found the distinction of the different classes of the community and they thought it was something like what they themselves were acquainted with in their own country and they called it caste. If my friend, Diwan Bahadur Sarda, objects to the word caste, I am one with him; but as to his recognising the *Varnashrama*, I hope he will prove it by going with me into the same lobby as myself and agree that this Act which strikes at the root of *Varnashrama*, which says that *Varnashrama* is no good at all, which has driven a wedge into Hinduism,—this Act has no business to be on the Statute-book. If he does that, then I can understand the *bonâ fides* of that statement.

I was on the point that this Bill is a gross interference with the religious ideas of the Hindus. I would only quote a few sentences from the opinion of Dr. Ganga Nath Jha, the distinguished Vice-Chancellor of

[Sir Brojendra Mitter.]

reply and give it a quietus instead of keeping it hanging, particularly when the Mover himself is not serious about the measure? But if it be the desire of the House that the further consideration of the Bill should be adjourned, we will not stand in the way. We shall remain neutral. At the same time it is very inconvenient that a matter which has been debated, on which several Members have spoken and on which the Government case has not been placed before the House should be kept hanging and not be finally disposed of.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That the further consideration of Sardar Sant Singh's motion on the Bill to amend the Code of Criminal Procedure, 1898, be adjourned till the next Simla Session."

The Assembly divided:

AYES—29.

Azhar Ali, Mr. Muhammad.
Bagla, Lala Rameshwar Prasad.
Chandi Mal Gola, Bhagat.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Hoon, Mr. A.
Jadhav, Mr. B. V.
Jawahar Singh, Sardar Bahadur
Sardar.
Jehangir, Sir Cowasji.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Kyaw Myint, U.
Lalchand Navalrai, Mr.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Mitra, Mr. S. C.

Mudaliar, Diwan Bahadur A. Rama-
swami.
Murtuza Saheb Bahadur, Maulvi
Sayyid.
Neogy, Mr. K. C.
Partha Nand, Bhai.
Phookun, Mr. T. R.
Rajah, Rao Bahadur M. C.
Ranga Iyer, Mr. C. S.
Rastogi, Mr. Badri Lal.
Roy, Rai Bahadur Sukhraj.
Sarda, Diwan Bahadur Harbilas.
Sher Muhammad Khan Gakhar,
Captain.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Gaya Prasad.
Wajihuddin, Khan Bahadur Haji.

NOES—23.

Abdoola Haroon, Seth Haji.
Ahmad Nawaz Khan, Major Nawab.
Ahmed, Mr. K.
Anklesaria, Mr. N. N.
Biswas, Mr. C. C.
Fazal Haq Piracha, Shaikh.
Ghuznavi, Mr. A. H.
Gidney, Lieut.-Colonel, Sir Henry.
Ibrahim Ali Khan, Lt. Nawab
Muhammad.
Ishwarsingji, Nawab Naharsingji.
Ismail Ali Khan, Kunwar Hajee.

Jha, Pandit Ram Krishna.
Krishnamachariar, Raja Bahadur G.
Lahiri Chaudhury, Mr. D. K.
Misra, Mr. B. N.
Mukherjee, Rai Bahadur S. C.
Puri, Mr. Goswami M. R.
Raghubir Singh, Kunwar.
Rajah, Raja Sir Vasudeva.
Sen, Pandit Satyendra Nath.
Thampan, Mr. K. P.
Yakub, Sir Muhammad.
Yamin Khan, Mr. Muhammad.

The motion was adopted.

THE SPECIAL MARRIAGE (AMENDMENT) REPEALING BILL.

***Raja Bahadur G. Krishnamachariar** (Tanjore cum Trichinopoly: Non-Muhammadian Rural): Sir, I beg to move:

"That the Bill to repeal the Special Marriage (Amendment) Act, 1923, be taken into consideration."

*Speech not revised by the Honourable Member.

The Act of 1923 professed to amend the Special Marriage Act, 1872, by allowing Hindus, Buddhists, Sikhs and Jains to intermarry. The preamble of the original Special Marriage Act ran thus:

"WHEREAS it is expedient to provide a form of marriage for persons who do not profess the Christian, Jewish, Hindu, Muhammadan, Parsi, Buddhist, Sikh or Jaina religion, and to legalize certain marriages the validity of which is doubtful; It is hereby enacted as follows:—"

By the amendment of 1923, after the words "whereas it is expedient to provide a form of marriage Jaina religion," the words "and for persons who profess the Hindu, Buddhist, Sikh or Jaina religion" have been added in the preamble, and the result of the amendment is that persons who profess the Hindu, Buddhist, Sikh or Jaina religion may intermarry.

Sir, the amending legislation of 1923 has got a history which, with the leave of the House, I propose to go through very shortly, as I do not want to take unnecessarily the time of the House. The first thing, Sir, to which I would invite the attention of the House is the preamble:

"Whereas it is expedient to provide a form of marriage for persons who do not profess,"—and then it says—"for persons who profess".

That is a matter to which I shall come later. Now, what has happened is this. After the passing of the Special Marriage Act, 1872, there had been two attempts, one in 1910 or 1911 by the late Mr. B. N. Basu and another before the introduction of the Reforms, I believe in 1919-1920, by Mr. Patel. Mr. Patel's was a more moderate Bill, while Mr. Basu's was a Bill which introduced not only this particular amendment, but also another amendment, but it was all negatived by the House. On these two occasions Government stood firm to their credit. They said that it was impossible for them to give assistance to a piece of legislation which cut at the root and the foundation of the Hindu society among whom "marriage" and "religion" are only two names for one thing. Consequently, the Bill of 1910 was negatived and the Bill of 1920, after passing through the stage of the Select Committee, was dropped for two reasons, that the Reforms were then impending and also there was no time after the Report of the Select Committee was received to go through the further stages of the Bill.

Now, Sir, soon after the introduction of the Reforms, you, a distinguished Member of this House, took up the thread and a Bill was introduced in terms which would allow the intermarriage of Hindus, Buddhists, Jains and Sikhs. That was on the 23rd March, 1921. It was stated in the Objects and Reasons of the Bill:

"Civil Marriage Law, without reference to race, religion or social distinction, exists in all European countries and it is open to any Indian to contract such marriages in Europe. There is no reason why he should not be at liberty to do so equally in his own country."

The rest is history of what has happened previously a short statement of which I have just placed before this Honourable House, and then the Objects and Reasons proceed:

"In view of the growing strength of sentiment in favour of nationalism and the judicial classification of Buddhists, Jains and Sikhs and other descendants of the Hindu community, the revival of the liberal provisions of the Bill of 1868 seems necessary."

Those two short sentences contain statements which it shall be my duty to controvert and to place before the House that they are absolutely against facts.

[Raja Bahadur G. Krishnamachariar.]

the Allahabad University who recently retired. That he is a great scholar, is admitted by all people. He said:

"In this country it would not be advisable to bring in the aid of the Legislature in matters that are religious or semi-religious, as all social matters are religious in India. Before attempting to force legislation on an unwilling people, social reformers will be well advised to educate the people, and, if social legislation is not backed by popular opinion, it is likely to defeat its own purpose. Thus it would seem that, however, desirable the proposed legislation may be on political grounds, it is highly inopportune at the present moment."

Now, so far as the civil marriage question is concerned, in England the institution of civil marriage is only of recent date. It was in existence three or four centuries ago, but it had ceased to exist subsequently, and it was reintroduced recently, and, therefore, the analogy between England and India in this respect does not hold good. If Honourable Members will care to read Sir Henry Maine's book, they will observe that he has clearly shown that in England the question of marriage is treated in this manner, viz., that there is only one true religion, and if a marriage does not take place in accordance with that religion, it is not supposed to have any efficacy whatsoever, and, therefore, they prohibited any marriage which was not performed according to Christian rites, and as that created certain difficulties and inconveniences, a civil marriage law was enacted. But that is not the case here. Besides, if Honourable Members understand the history of legislation when the Special Marriage Bill was introduced at the time of Sir Henry Maine, I think they will vote for this measure. As pointed out by the Law Member, when another Bill allowing inter-marriages between Hindus and Muhammadans was being discussed, the object of this Special Marriage Act was to relieve the small community of Brahmo Samajists from the inconvenience or from the awkward position in which they were placed by the opinion of the Advocate General that they had no legal form of marriage and that, therefore, their issue was illegitimate. That was the position which faced Sir Henry Maine, and he, the distinguished lawyer that he was, having framed the Bill to that effect, found that although the Act was passed and although the Indian Legislature provided for inheritance, for some reason or other they omitted to provide that without a marriage law there could be no inheritance at all. He was not here when the Bill was discussed in its later stages. Sir James FitzJames Stephens, his successor, took it up, and I heartily commend his speech in full to the attention of the Honourable Members of this House in order to find out exactly the reason why they did not go the whole hog.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): What is that speech? Let us hear it.

Raja Bahadur G. Krishnamachariar: Before I turn to his speech, there is one point which I think will interest this House to know, and that is the principle upon which Sir James proceeded and the principle which was then upheld by the Government of India in a legislation of this sort. What Sir Henry Maine did,—and in that he made a serious mistake,—was that he thought there was no such thing as a fundamental law in India and that the reason why Hindus were enjoined to be governed by the Hindu law and Muhammadans were enjoined to be governed by the Muhammadan law in all cases before Courts was that

certain statutory declarations were made to that effect, and consequently he thought that the Hindu law was made the criterion of decision between Hindus, not because that it was such a thing that the Hindu law was binding upon the Hindus, but because certain statutory enactments made it obligatory to do so. Now, Sir, after contesting that position and, after pointing out that in order to administer the whole body of Hindu laws existing at the time, pandits were regularly appointed to help the judges, this is what Sir James says:

"Sir Henry Maine did not take that course",—

that is to say, he might have told the Brahmos, we cannot help it, if you have no law, you must suffer,—that is one view that Sir James says he might have taken, but he did not take that course. He said:

"On the contrary Sir Henry Maine did not take that course, and I rejoice that he did not, though I cannot attach so much weight as he appears to have. He thought that a clear injustice, and especially a clear injustice clearly traceable to the influence of English habits of thought could not and must not be permitted where the persons affected are few."

Now, the expression "English habits of thought" is rather important, and I would very respectfully ask this House to remember it in the course of this discussion:

"I cannot say how strongly I join in this opinion. I think that one distinct act of wilful injustice, one clear instance of unfaithfulness to the principles on which our Government of India depends, one positive proof that we either cannot or will not do justice or what we regard as such, to all classes, races, creeds or no-creeds to be found in British India, would in the long run shake our power more deeply than even military or financial disaster. I believe that the real foundation on which the British power in this country stands is neither military force alone, as some persons cynically assert (though certainly military force is one indispensable condition of our power), nor even that affectionate sympathy of the native populations on which, according to a more amiable, though not, I think, a truer, view of the matter, some think our rule ought to rest, though it is hardly possible to overrate the value of such sympathy where it can by any means be obtained, I believe that the real foundation of power will be found to be an inflexible adherence to broad principles of justice, common to all persons in all countries and all ages, and enforced with unflinching firmness in favour of, or against, every one who claims their benefit, or who presumes to violate them, no matter who he may be. To govern impartially upon those broad principles is to govern justly; and I believe not only that justice itself, but that the honest attempt and desire to be just, is understood and acknowledged in every part of the world alike."

Then, Sir, after pointing out the necessity of enacting a restricted law, not an enlarged civil marriage law for the entire community, he points out the difficulties which faced the Legislature at that time and, after enumerating them (I shall not trouble the House by reading them), he says:

"Under these circumstances, Sir Henry Maine proposed to make the Brahmo question the opportunity for passing a measure of the most comprehensive nature. He proposed to pass an Act 'to legalize marriage between certain Natives of India not professing the Christian religion, and objecting to be married in accordance with the rites of the Hindu, Muhammadan, Buddhist, Parsi or Jewish religion'."

Then comes the Local Governments' opinion. This is the ground upon which they eventually rejected the Bill. He continued:

"We thought that the Bill, as drawn by Sir Henry Maine, would involve interference with native law which we did not consider justifiable under all the circumstances of the case and it appears to me that the Hindu law and religion on the subject of marriage (I need not at present refer to the Muhammadan law) are one and the same thing, that they must be adopted as a whole or renounced as a whole, that if a man objects to the Hindu law of marriage, he objects to an essential part of the Hindu religion, ceases to be a Hindu and must be dealt with according to the law which relates to persons in such a position."

[Raja Bahadur G. Krishnamachariar.]

Sir, in a later passage, I have not been able to lay hands on at present, it is said:

"If you are a Hindu, you had better act as the Hindu does, or if you are not a Hindu, act accordingly, but do not ask us to pass laws for your sake enabling you to be a Hindu and at another time enabling you not to be a Hindu."

After making that observation, he proceeds to discuss the various principles and has eventually amended certain sections which was passed into law.

Now, with regard to this question of civil law, and the civil marriage law which was given out as the reason for introducing the Bill which eventually became the Act of 1923, on the last occasion when the second Bill was under discussion, the Honourable the Law Member, in a very elaborate speech, pointed out that there could be no such thing as a civil law in India for this reason that a civil law requires a compulsory monogamous marriage and with no loophole for polygamous marriage in that country. Now, it has been pointed out that in this Act the Hindu or Muhammadan marriages are not compulsorily monogamous marriages. Consequently, as was observed by the Honourable the Law Member, when you ask for international recognition upon the ground that you have got a civil marriage law in India, they will turn round and say: "This is no good. Your claim cannot stand, because you still have in your laws provision made for polygamous marriages and, therefore, your request for an international status based upon the existence of a civil marriage law cannot be complied with". That, Sir, is an unanswerable position and the learned Mover of the Bill, in his reply, did not tackle the point nor did he attempt to give any reply and, therefore, the first and the most important ground, upon which that law was enacted, namely, the necessity to give a civil marriage law for British India, falls to the ground. This is what he says:

"In order to secure international recognition it is necessary that it should be a compulsory measure so as to show that in India there is a compulsory law ensuring monogamy and, therefore, deserving of international recognition. That not being in existence, that not being enforceable, a civil marriage law is entirely out of the question and consequently the necessity for legislation based upon that view completely falls to the ground." (Interruptions.)

I do not want to be interrupted in that way. If somebody wants to interrupt me seriously, let him honestly stand up and say what he has got to say.

Sir, it is a question of purely social legislation and here there are certain principles upon which social legislation ought to be based. The first and the most important thing is that the community affected by it demands it. Where is there any proof that the Hindu community was particularly anxious that it should go out of its way to contract marriages with Buddhists, Jainas and Sikhs? Sir, I noted on the last occasion that one or two Sikhs did support this measure, but I am perfectly sure that if they went to the Sikh community and took a referendum, they would certainly have objected to a measure of this nature. Sir, as I said, there has been no demand; and even the Statement of Objects and Reasons, as I pointed out, did not say that there existed any very large demand or that the Hindu community felt the necessity for it, because, all that it says, is that a certain state of things exists in Europe, and that

is no reason why it should not exist here. That sort of argument is a very dangerous argument; we should all remember the argument about the fur coat in Canada enunciated years ago by that distinguished statesman, Lord Morley. Then another matter to which I would invite attention is that it is now nearly ten years since this legislation was passed and I ask, how many persons have taken advantage of it? Is there any record that there has been such a scramble for marriages between Hindus, Buddhists and Jainas that one fell over the neck of the other and marriages of that nature were contracted in large numbers? That is not so.

Mr. B. V. Jadhav: But there have been such marriages in small numbers.

Raja Bahadur G. Krishnamachariar: I deny that there have been any marriages in any appreciable numbers at all. Sir, it is incumbent upon those who assert that there have been even half a dozen marriages within the last ten years to bring out facts and figures and to prove that assertion, and I hope my friend, Mr. Jadhav, who seems to be particularly troubled over this *Varnashrama Dharma* and the Hindu religion as interpreted by us, would, with his usual industry and ingenuity, hunt out instances where this Act has been really applied, after its amendment, in appreciable numbers.

Now, there is one point in this connection to which I would invite the attention of the House. In connection with a later Bill, introduced by the same Mover, which, as I said, was negatived by this House and in which the idea of Hindus and Muhammadans intermarrying was altered, it was stated that the Act of 1923 had conferred untold blessings upon the Hindu community and that the Mover was very anxious that these benefits should be shared by other communities, especially the largest of such other communities, namely, the Muhammadan community. The answer that this House gave to that very benevolent intention was that it summarily rejected the Bill in spite of the plaintive request made by the Mover that he might be allowed to withdraw the Bill. Sir, in connection with this also there is a little incident which it might be of some interest to relate. When the original Bill which became the Act of 1923, was first introduced, it included Muhammadans. Then the Mover got afraid; he then thought that his wind would be up if he included the Muhammadans, so they were excluded that time and only the Hindu community was included; and, Sir, this speechless Hindu, the Hindu who does not understand what is going on in this Legislature in his name for bettering his condition socially, politically and internationally was sought to be tackled and then the larger Act was passed as the Act XXX of 1923. Now, as I said, the learned Mover claimed that the Act of 1923 conferred immense benefits upon the Hindu community and that, therefore, he was particularly anxious to extend the Act to the Muhammadan community.

Now, if you will kindly refer to the Special Marriage Act, as amended by the Act of 1923, there are certain important features which I think this House ought to know. (Mr. C. S. Ranga Iyer laughed.) That is Mr. Ranga Iyer. It does not matter; he is excluded for whatever he says! Well, Sir, the fact of the matter is that a Hindu, a person professing the Hindu religion, who marries under this Act shall have the same rights and be subject to the same disabilities in regard to any right of succession to

[Raja Bahadur G. Krishnamachariar.]

any property,—provided that notwithstanding anything in this section, succession to the property of any person professing the Hindu, Buddhist, Sikh or Jaina religion who marries under this Act and to the property of the issue of such marriage shall be regulated by the provisions of the Indian Succession Act. Sir, that Act applies to Christians and to persons who do not profess the Hindu religion so that the first great benefit which the Act of 1923 conferred upon the Hindu is that he is removed from the pale of Hinduism notwithstanding the permission given to him to marry a Buddhist or a Jaina or a Sikh; notwithstanding this provision, the Act states that succession shall be regulated by the Indian Succession Act; that is to say, he is thrown out of the pale of Hinduism.

Then, another very important right that has been taken away by this Act is that any person professing the Hindu, Buddhist, Sikh or Jaina religion who marries under this Act shall have no right of adoption. After that, Sir, where does the Hindu stand? Your succession is governed by a Christian law and the most important provision in the Hindu law, which helps a Hindu, in his conception of the Hindu religion, both in this life and hereafter, namely, the necessity to have a son either born to him or by adoption, has been taken away! Now, the reason why I expatiate upon this point is this. Originally the Bill, as it stood, required that a person who wanted to marry under the provisions of the Act had to declare that he was neither a Hindu, nor a Muhammadan, nor a Buddhist and so on and so forth. It was stated in the Statement of Objects and Reasons that there might be such men who did not want to come out of the pale of Hinduism who wanted to remain within the ambit of Hinduism, but yet who might want to contract such marriages, and it was eloquently asked, "how can you prevent such men from having this bare justice to take unto themselves wives of their own liking and whom they loved?"

1 P.M. That is the question that was put. Now, look at the result. The man takes unto himself a wife whom he likes. He marries her; the Act allows him to do so; it makes the children legitimate; everybody is quite happy; the wedding feast is over and I do not know if they also cut the cake as they do among the Christians. It is all over and forgotten. The man dies, and now comes the question of inheritance. Does the Hindu law apply? No: it is the Christian law which applies. Where, then, is the vestige of Hinduism? Is that the sign of Hinduism? Is that the Hinduism within which you wanted to remain? And in order to enable you to remain within it, you came before this Legislature and asked that an invidious or a false statement be prevented from being made by the persons who contract this marriage because, forsooth, they wanted to be within the Hindu fold. Now, the Act says that you are not a Hindu so far as succession is concerned; you are not a Hindu so far as adoption is concerned. Of course, caste distinction is cast to the wind. And to crown it all, when a person professing the Hindu, Buddhist, etc., religion, marries under this Act, his father shall, if he has no other son living, have the right to adopt another person as a son under the law to which he is subject. It really comes to this that so far as this man, who marries under this Act, is concerned, he is civilly dead, because, as the House knows, no adoption is valid by a man who has got a son alive and if the Legislature allows this man to adopt, in the face of the fact that

this man is alive, it really means that he is to all intents and purposes civilly dead. Sir, I said just now that it drives a wedge into the peaceful existence of the Hindu family, and in this connection I would quote a section which runs thus:

"The marriage under this Act of any member of an undivided family who professes the Hindu, Buddhist, Sikh or Jaina religion shall be deemed to effect his severance from such family."

Now, the joint family is an institution which has helped to keep intact the Hindu society all these years. We have been benefited by it in untold ways although I admit that there are certain disadvantages created by the modern individualistic turn of mind, but that is only a modern condition. But during all these ages the joint family system has conduced to the benefit, the welfare and the improvement of the Hindu society. Now, directly this marriage takes place, the man severs himself from the joint family. Therefore, what is the result? An Act was passed in order to enable the man to remain within the Hindu fold and every important fundamental condition connected with the Hindu law has been denied to him. Where, then, was the necessity, where was the justification, for an Act of this nature? From the inquiries that I have been able to make, I can say without any fear of contradiction that very few persons, if at all, have taken advantage of this law. Therefore, I ask why should this little law deface the Indian Statute-book? It was not wanted by anybody and it creates havoc in the Hindu society. It drives a wedge into it. Why should such a law be allowed to remain on the Indian Statute-book? I, therefore, ask that by means of my Bill this Act may be repealed.

Sir, there is one matter in connection with the history of this Bill which, I think, ought also to be placed before this House. How much this House liked the passing of this Bill is clear from the fact that, after the passing of this Act, it was found by the learned Mover that there was some conflict between the Indian Majority Act and this Act which he had taken the trouble to pilot through this Legislature. Therefore, he introduced a Bill in order to bring it into line with the Indian Majority Act. This House promptly rejected it.

Sir Muhammad Yakub: Who was the Honourable the Mover?

Raja Bahadur G. Krishnamachariar: The Honourable the Mover is the Chairman himself. The result was that this anomaly of conflict between the Indian Majority Act and this Act still subsists without being remedied.

Sir, that is about all that I have got to submit for the consideration of this House and I respectfully submit that the motion, that I have the honour to make, namely, that this Bill be taken into consideration, be dealt with on its merits. However glaring my shortcomings may be and however lacking in eloquence I may be, my facts are right. My position is perfectly right. I stand not for any rhetorical success, but for a solid and substantial position that the Hindu religion shall not be interfered with by the help of this Legislature, and where it has already been interfered with, this Legislature should help me to get rid of it and to restore the *status quo ante* and thereby ensure the position of the community to which I have the honour to belong.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That the Bill to repeal the Special Marriage (Amendment) Act, 1923, be taken into consideration."

Mr. Badri Lal Rastogi (Patna cum Shahabad: Non-Muhammadan): Sir, I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st July, 1933."

The Special Marriage Amendment Act, 1923, which is sought to be repealed is an enabling Act only and not compulsory. It is meant to protect the minority; in other words, the Act is intended for those who have renounced their religion or who do not believe in their religious faiths and want that their freedom in the matter of marriages may not be fettered. Sir, it is very difficult to stop marriages between one community and another, as hundreds of these marriages are being celebrated every now and then. In my opinion, Sir, there should be no obstacle to a person in the matter of his or her choice in selecting a life companion; rather, there should be complete freedom in such matters. As it is a matter affecting the enlightened community only, I propose that the Bill be circulated for opinion which may be called by the 31st July, 1933.

Rai Bahadur Lala Brij Kishore (Lucknow Division: Non-Muhammadan Rural). Sir, I rise to support the amendment moved by my Honourable friend, Mr. Rastogi. I have carefully studied the Statement of Objects and Reasons appended to the Bill by Raja Bahadur Krishnamachariar and I admit that I am not fully convinced as to why the Special Marriage Act of 1923 should be repealed straightaway.

Sir, the Act in question is only an optional measure and does not compel anybody belonging to any of the Hindu religious sections mentioned in the Act to solemnise their marriage under this Act. As far as I am aware, very few people have availed themselves of this Act, and that being so, the measure is more or less a dead letter for the bulk of the communities mentioned in the Act. If that be so, why should we put obstacles in the way of those few people who have availed themselves of the Act in solemnising their marriages retaining their faith in their original religion? But, if, on the contrary, the Raja Bahadur can prove that a vast majority of the Hindus are availing themselves of this Act and that thus it is proved that the Sanatan Hindu Dharma is being endangered, I would support the Raja Bahadur's motion for passing the Bill; but, if he fails to do that, I cannot understand how he can expect the support of any reasonable Member of this House to support it, simply because a small section of the Sanatanists want the repeal of the Act in defiance of a large majority of the Hindu community. Does not the Raja Bahadur himself say that a measure like the present must satisfy the essential condition that "there must be very strong and conclusive evidence that the change is demanded by the people who are affected"?

Sir, further, the last paragraph of the Statement of Objects and Reasons appended to the Bill by Raja Bahadur Krishnamachariar goes only to prove that the Act of 1923 is defective in so far as the persons availing themselves of this measure, though not compelled to renounce

their faith in Hinduism, are compelled to be governed by the Indian Succession Act and not by the Hindu Law of Succession though the original Act of 1872 allowed them the privilege of the Hindu Law of Succession. That being the case, Sir, I support the motion of my friend, Mr. Rastogi, for the circulation of the Bill for eliciting public opinion and I would request the House to support the motion.

Before I conclude, I say that if the bulk of the opinions received are in favour of repealing the Act, I would be the first person to support the passing of the repealing Act proposed by my friend, Raja Bahadur Krishnamachariar.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan): Mr. Chairman, I oppose both the motions,—for taking the Bill into consideration, as well as for circulation. When this Bill was passed ten years ago it was done after much discussion throughout the country, and when my friend, the Mover of the present motion, said that there was a strong feeling amongst the Hindu community for its repeal, I hoped that he would place some evidence before this House, before he asked us to support his motion for consideration that there was any feeling in the Hindu community for the repeal of this Act. He does not even give any reasons. What will happen, if this Act is now repealed, of the marriages that were contracted during this intervening period of ten years? He is a great supporter of the *Varnashrama Dharma*, but the Shastras say of only four Varnas and four Ashramas. How does he support the existence of so many castes as it now obtains amongst the Hindus? I think there is some fundamental misapprehension about the high ideal of *Varnashrama Dharma* that has been advocated by our Shastras. Men like the Mover of this Bill merely care for the letter of those slokas from the Shastras and cannot appreciate their true spirit. If he had been a supporter of the *Varnashrama Dharma*, why he is supporting the theory of so many castes and inter-castes that have now prevailed amongst the Hindus for a long time? On all these grounds, Sir, I think there is no reason why the decision of the House that was arrived at after much discussion should be revised. I think it will be really wasting the time of the House if we go on with this matter, and the House should straightaway come to the decision that such a motion should not be accepted. Sir, with your permission, I would like to move that the question be now put on both the circulation motion as well as the motion for consideration. Sir, I move that the question be now put. (Voices: "No, no.")

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan): Sir, I agree with the last speaker that there was no necessity for bringing in this Bill to repeal the amendment of Act III of 1872. I have carefully gone

[Mr. Amar Nath Dutt.]

through all the sections which you, Sir, sponsored and got them embodied in the Statute-book. I do not find anything of a compulsory nature in those sections. On the other hand, I think, as it has been said by you, Sir, when moving that Bill, that it gave free scope to the conscience of an individual which the Act of 1872 did not. If we go back to the history of that enactment, Act III of 1872, which is generally known as the Brahmo Marriage Act, although it was not so, we find that it was a civil marriage Act, and there was necessity for a legislation like that at that time, because, Sir, with the onrush of Western civilization and culture into our country, there rose a body of men who were losing faith in their ancient religion and culture and were adopting Western methods of life. In the beginning of the nineteenth century, Raja Ram Mohan Roy stood up against idol worship and preached monotheism which is the creed of the Brahmos, who found themselves in difficulty about the legality or otherwise of marriages among them, which were not performed according to the idolatrous rites of an ordinary Hindu marriage. There was some opposition from orthodox quarters against legalising marriages not performed according to orthodox custom, but that opposition soon died out as it was found that there was no element of compulsion in the law and was merely permissive in its nature.

I never stand for legislation in social or religious matters. I make it clear that I am opposed to any interference by the legislative bodies in our social or religious matter. (Hear, hear.) But, at the same time, things which do not really interfere with our social or religious customs and which allow ample freedom to every one, with them we have no quarrel and I do support permissive legislation. Sir, I am very sorry that I have to oppose my friend, Raja Bahadur Krishnamachariar, for whom I have nothing but respect and reverence for his wisdom and knowledge of Hindu scriptures. (A Voice: "So have I.") Another Honourable gentleman claims the same reverence for him, but I do not yield to him in this respect. I am very careful in not acting in a manner as will be interpreted by any section of the community either orthodox or heterodox that I am for interference in any social or religious matter. But, Sir, although my whole life has been a challenge to orthodoxy, I have been at all times supporting my orthodox friends when I find that they have a just grievance against the onslaughts of the so-called reformers and, that being so, Sir, I believe that this is not one of those laws which need be repealed as my friend, the Mover of this repealing Bill, wants. After all, what did you do about the amendment of Act III of 1872? Section 2 of the Act, as it then stood, before your amendment, was to this effect:

"Marriages may be celebrated under this Act between persons neither of whom professes the Christian, or the Jewish or the Hindu or the Muhammadan or the Parsee or the Buddhist or the Sikh or the Jaina religion upon the following conditions."

And then follow the conditions. So, that Act was intended for those who thought they were outside the pale of these recognised religions, and the Brahmos at that time thought that they did not belong to any of these religions. But, latterly, some Brahmos began to think that they were only a particular sect of the Hindu society and that they were Hindus, and that in fact the Privy Council held that their succession will be governed by the Hindu Law. That being so, many conscientious Brahmos

found it difficult to subscribe to the statement "I do not profess the Christian, Jewish, Hindu, Muhammadan, Parsee, Buddhist, Sikh or Jaina religion". That declaration had to be made according to the provisions of Act III of 1872. Every one in this House who has any acquaintance with the puritan character and the high moral character of the Brahmos knows that certainly they will not subscribe to a declaration which appeared to them to be untrue. As for those gentlemen in the south who do not know how truthful the Brahmos are, I may cite one instance. A Professor of a certain Calcutta college, a very well-known Professor, was passing one day through the Cornwallis Street which leads to the Star Theatre. In order to tease him, some students passing by asked him "Where is the Star Theatre?" He somehow got annoyed and said "I do not know." The words came from him on the spur of the moment; but after he went a few paces, he at once realised that he had told a lie and he immediately came back and called those students and told them: "I know where the Star Theatre is, but I will not tell." So, men, with such scrupulous regard for truth, found it very difficult to subscribe to a declaration like the one which was to be found in the Act of 1872. It was very kind of you, Sir, although coming from a distant place like the Central Provinces, where there are very few Brahmos, to see the necessity of this legislation and the amendment. Raja Bahadur Krishnamachariar does not want the repeal of the whole Act: I could have understood his orthodox zeal; I could have understood his unshakeable faith in the laws of our fore-fathers if he had opposed any law like Act III of 1872. I regret very much I have to say these things, but I have no other alternative but to do so. He wants to have the Act of 1872 retained on the Statute-book; only he wants to omit the portion which you, Sir, in the height of your wisdom, got enacted; and not only that; but you yielded to every sort of orthodox pressure that was brought to bear upon the Select Committee and the result was the enactment of sections 22 to 26 of which you were the sponsor. In order to show to my friend how the Honourable the sponsor of that Bill yielded to orthodox desire, and even, I may say, to orthodox prejudice, I shall quote section 22 which says:

"The marriage under this Act of any member of an undivided family who professes the Hindu, Buddhist, Sikh or Jaina religion shall be deemed to effect his severance from such family."

So that orthodox Hindus may not be polluted by the presence of a man who marries, not according to Hindu rites, but according to the declaration and provisions of this Act. At once he is chucked out from his family and from his home. I believe that that is a sufficient check

An Honourable Member: Conspiracy.

Mr. Amar Nath Dutt: There was sufficient conspiracy no doubt as my Honourable friend observes when they enacted this: that was to keep hold upon a man and keep him in the orthodox field by various ways. Now, there are very few who will like to be driven out of the family and all that joint Hindu family life implies. But, I submit, he is not satisfied even with this safeguard. My friend, Mr. Mitra, asks me to have mercy on

1274

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

[Mr. Amar Nath Dutt.]

him. I do not understand, how I am cruel to him. I am also opposing the repeal like him. We are on the same side and I do not know why he is so impatient

Raja Bahadur G. Krishnamachariar: Mercy on me, an old man!

Mr. Amar Nath Dutt: With due deference, you will permit me to observe that I still have the highest respect and reverence for the Raja Bahadur and, if I have said anything for which he might have been offended, I most humbly beg to apologise

Raja Bahadur G. Krishnamachariar: You have not offended me at all.

Mr. Amar Nath Dutt: That being so, I only humbly protested that the Raja Bahadur will, if he peruses section 22, find that ample safeguard has been provided against people going away from the orthodox Hindu fold. Then section 23—that is also your amendment, Sir,—is an amendment which I do not thoroughly agree with, but, at the same time, it ought to give some relief to the Raja Bahadur when he finds that even the laws of inheritance by which the Hindus are governed will not be the law of inheritance for those who marry under the amending Act.

The provisions run as follows:

“A person, professing the Hindu, Buddhist, Sikh or Jaina religion, who marries under this Act, shall have the same right and be subject to the same disabilities in regard to any right of succession to any property”

—do you mean to say that I shall not discuss the amendment which is attempted to be repealed by a legislation like this?—

“in regard to any right of succession to any property as a person to whom the cast Disabilities Removal Act of 1850 applies, provided that”

—to this proviso I would draw the special attention of my friend, the Raja Bahadur—

“Provided that nothing in this section shall confer on any persons any rights to any religious office or service.”

—he is at once chucked out from Hindu society, and so my friend cannot have any grievance against him—

“or to the management of any religious or charitable trust.”

What more does my friend want, I fail to understand. It is one of the most salutary provisions, in fact if this had been sponsored by any other man but you, Sir, he would not have shown the same consideration for Hindu feeling as you have shown.

(Interruption.)

Don't disturb me like that. I don't think it is right and proper that you should carry on a discussion in the way in which you are doing when we are discussing a very important subject.

Pandit Ram Krishna Jha (Darbhanga cum Saran: Non-Muhammadian): Don't mind the Muzaffarpur Harijan.

Mr. Amar Nath Dutt: Now, Sir, I will refer to section 24 which is far more important than anything else. In fact, even if I had been the sponsor of the amending Bill, I would not have introduced such a disability provision in the Act, but, Sir, you, in your goodness and wisdom, which we have often found you to show even to your opponent, have been good enough to show consideration to the orthodox Hindu feeling, and I think my friend, the Raja Bahadur, the sponsor of this Bill, ought to be grateful to Sir Hari Singh Gour for introducing such a section like this:

“The property of any person, professing the Hindu, Buddhist, Sikh or Jaina religion who marries under this Act, and the property of issue of such marriage shall be regulated by the provisions of the Indian Succession Act, 1865.”

It at once does away with the Mitakshara or Dayabhaga law of succession and gives him another law of succession and to his children. That means that he is completely severed from the orthodox Hindu fold. Only he is allowed to keep the Hindu name. Such people are severed from their family as provided in section 22. They are debarred from enjoying any religious office or of having any religious service or to have anything to do with the management of any religious or charitable trust, and then, again, the law of succession is changed for them. That being so, why deny them the little consolation of their conscience, especially to over scrupulous truthful men like the Professor about whom I just mentioned an incident,—allow them to believe that they are Hindus.

Then, again, for the father or a man who has only one son and whose only son (section 25) marries under the provisions of this Act and is severed from the family, there is also this provision which my friend, the Raja Bahadur, and every orthodox Member of this House will appreciate, namely, the fear of *Pindalopa*,—that is to say, *pinda* is not allowed to be destroyed,—because in the case of a son going out of the family, the provision is this. The father is allowed to adopt a son and thereby get the *pinda* which he wants to have in the next world. I shall read to the House the provisions of this section:

“No person, professing the Hindu, Buddhist, Sikh or Jaina religion, who marries under this Act, shall have any right of adoption and when a person, professing the Hindu, Buddhist, or Jaina religion, marries under this Act, his father shall, if he has no other son living, have the right to adopt another person as his son under the law to which he is subject.”

The man, who marries under this Act, goes out of the society and will have no right of adoption, while his father will have the right of adoption. These are sections 25 and 26 to which I would respectfully invite the attention of my friend, the Raja Bahadur. If a careful analysis is made of these few sections which have been added to the Act, viz., sections 22 to 26, I think no orthodox Hindu can have any quarrel. That being so, Sir, I think you were perfectly within your rights when you amended this Act. Sir, the history of this amendment you very lucidly gave in this House, and I shall read only a few lines which will at once convince the House that you have done the wisest thing . . .

Sir Muhammad Yakub: I want the full history, a few lines won't do.

Mr. Amar Nath Dutt: This is what you said, Sir:

“But as I have said on the last occasion when I had the honour of speaking on this Bill, one objection which persons who are required to sign a declaration under that Act raised was that they could not conscientiously sign a declaration with a mental reservation and that it was not right that the law should compel them to sign it. I shall very briefly

[Mr. Amar Nath Dutt.]

point out the reasons,—the historical reasons,—which culminated in the framing of that form which constitutes a declaration under the Act. As far back as 1832 a Royal Commission was appointed by an Act of Parliament for the purpose of revising and codifying certain important branches of Indian law. That Royal Commission sat and framed what is now known as the *lex loci* Act, the official designation of which is the Removal of Caste Disabilities Act. That Act was enacted as Act XXI 1850. The underlying principle of that Act was that no person shall suffer any penalty by the mere fact of his renouncing a caste or religion. Later on, in 1856 the Legislature passed what is known as the Hindu Widows' Re-marriage Act. That legalised the re-marriage of widows. In 1868 that great jurist and lawyer Sir Henry Maine, the then Law Member of the Viceregal Council, pointed out in the late Imperial Legislative Council that it was the bounden duty of the sovereign to provide for the marriage of all his subjects and if they wished to marry, no impediment of caste, creed or otherwise should stand in the way. If the State does not enact a civil marriage law the consequence is that it leads to promiscuous intercourse and concubinage. He therefore placed before the Legislative Council a Civil Marriage Bill. But before the Bill could become law, his term of office ended and he was succeeded by another jurist, Sir James Stephen and he again circulated the Bill, collected all the opinions and made the following summary of the cases to which he adverted. This is what he said :—

'The cases which I have quoted appear to me to establish in the broadest way that on the most general principles it is just, equitable, and according to good conscience that all men should have a right to marry although the law to which they are subject may prescribe the manner in which their right is to be exercised.'

In India, as we all agree, there is no fundamental common law other than the law of justice, equity and good conscience upon this subject. If a man is not a Hindu, nor a Muhammadan, nor a Parsi, nor a Christian nor a Jaina, no form is prescribed for him by law. Does it follow that he cannot marry at all? Certainly not. What follows is that his right must be determined by the general maxim that contracts for a lawful object and made on good consideration are valid and must be performed, and I have yet to learn that marriage is, in a general sense, unlawful or immoral or a promise to perform conjugal duties by the wife or the husband is not a good consideration for the promise to perform reciprocal duties by the husband or the wife.

He then said that we must have a Civil Marriage law. Then the question arose whether there was a large public opinion to support the enactment of such a marriage law. The Brahmos of Bengal who had moved the Imperial Legislative Council to enact a law for themselves were of opinion that they were perfectly prepared to declare themselves as non-Hindus and therefore they accepted the form which was then prescribed and Act III of 1872 became an Act of the Imperial Legislature. A very large number of marriages have been contracted under the Act of 1872 but in a recent case their Lordships of the Privy Council laid down that both Brahmos and Sikhs as well as Jains were Hindus and the decision of Sir James Stephen, who had in 1872 taken for granted that if the Brahmo said he was not a Hindu there was an end of the matter, was upset by the decision of their Lordships of the Privy Council. Well, Sir, that was the state of the law till the judgment of the Privy Council was given. About 13 years ago, the Honourable Mr. Bhupendranath Basu, now a member of the Secretary of State's council, revived this piece of legislation which Sir Henry Maine had placed before the Legislative Council, and it was considered but afterwards it failed to become law. Later on Mr. Patel wanted to introduce and did introduce a more restrictive measure legalising the marriages between the Hindus of different castes."

Mr. S. C. Mitra: On a point of order. Is a Member entitled to read the whole debate that passed over this Bill on a former occasion from the printed debates?

Mr. Chairman (Sir Hari Singh Gour): As this point of order has been raised before, I wish to make it clear that it is perfectly open to a Member to read a speech or extract and say those are his views in the same sense that he reads a written speech. There is no Standing Order that precludes a Member from reading extracts, but it must be left to his good sense.

Mr. Amar Nath Dutt: I am trying to convince the House that the arguments, with which you introduced this Bill, are unanswerable and I thought it fit to acquaint the House as briefly as possible with them. If my friend apprehends that I shall go on reading the speeches of others, I may tell him that I am only making a selection of the important passages which are so finely expressed that I can never aspire to express them so well in my own words. It goes on:

"It was referred to a Select Committee but after it emerged from the Select Committee, it was considered that as the reforms were about to be announced and the constitution of the Imperial Legislative Council revised, it would be better if this measure was reintroduced in the popular Chamber. Well, Sir, taking the cue from the deliberations of that Council, I took the earliest opportunity of reintroducing a measure which has been referred to the Select Committee and which emerges from that body with a unanimous report. This is, Sir, shortly the history of marriage law in this country. After it came back from the Select Committee I have been besieged with inquiries by my friends of both complexions, reformers and orthodox, and I shall now briefly explain the reasons which have led the Select Committee to recommend for enactment this measure in the form in which it is presented to this House."

Mr. O. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Do you like to hear the music of your own voice? (Laughter.)

Mr. Amar Nath Dutt:

"I shall first deal with the objections of the reformers. They say 'What we wanted you to do is to enact a general civil marriage law. What you have done is to decapitate the measure the principle of which we accepted and it has come out of the Select Committee in an extremely crippled, restricted and circumscribed form. If we are to fight for civil marriage law let our fight be continued but we are not prepared to accept this half way house'. To them, I say, Sir, that the Select Committee have very carefully considered this objection of the reformers and they came to the conclusion that it is much better in a case of this kind to take along with them public opinion and it is better that we should have a narrow and restricted measure than to work for a Civil Marriage law. Then, Sir, to them I say, that if the Bill is not acceptable they are not better off and no worse off than they were under Act III of 1872. The additional sections which are awaiting your judgment".

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): I venture to rise to a point of order. There has been a ruling—I cannot lay my finger on it just now—that when an Honourable Member begins to quote extracts from any book or authority, he has got to do it within reasonable limits, and if he exceeds those limits, the Chair has a right to stop it. It is not left entirely to the speaker's own will. I would appeal to the Chair now to intervene and stop the reading of extracts which has now been going on for a quarter of an hour.

Mr. Chairman (Sir Hari Singh Gour): I pass on the appeal to the Honourable Member.

Sir Cowasji Jehangir: I raised the point of order that the right is vested in the Chair. It is for the Chair to exercise it. It can refuse to exercise it.

1278

LEGISLATIVE ASSEMBLY.

[27TH FEB. 1933.]

Mr. Amar Nath Dutt: Sir, I shall try to be as brief as possible in dealing with this matter. I am quoting your language, because I cannot express it better. Otherwise I would have said the same thing in my own humble way which may not be so convincing to my Parsi friend and to my Hindu friend. I shall be as brief as possible. It goes on:

"Therefore I submit that if anybody has any objection on the ground that the measure now before the House is a narrow and more restricted one, he has only to say to himself, 'I shall ignore it. I am in no way prejudiced by it and therefore I should not object to it'. Then, Sir, it has been said that this measure creates a paradox. Under Act III of 1872, a Hindu contracting a marriage by subscribing to a declaration that he does not profess the Hindu religion still remains subject to Hindu law regarding succession and the enjoyment of his property; but by making a declaration under this part of the Act that he is a Hindu he will be deprived of his personal law and he will be subjected to the restrictions now embodied in the various sections of my Bill. My answer is that, here again it is a matter of opinion. If you wish to make a declaration under the first part, by all means do so, and you will continue to enjoy all the rights and privileges which are given to you under that part of the Act. But if, on the other hand, you have conscientious scruples in the making of a declaration under that part of the Act, then you declare under the second part and place yourself under the disabilities created by that part. You are in no way prejudiced. Your position has been improved to that extent that you are not bound to make a declaration which you cannot conscientiously subscribe to, for you are given the option of subscribing either to one declaration or the other."

Now, my friend, Sir Cowasji Jehangir, should feel relief, because I have finished quoting your unanswerable speech which you were pleased to hurl upon a previous Assembly; and my Honourable friend, Sir Cowasji Jehangir, does not belong to any of the religions which are enumerated here, viz., "Hindu, Buddhist, Sikh or Jaina". And, in fact, Sir, you may remember efforts to have them included also, that is the Parsis and the Muhammadans, but as they did not want it, therefore you excluded them. I, therefore, invite my Honourable friend, the Raja Bahadur's attention to this very fact that only when there was a demand, was it done. You acted according to public opinion, because there was a demand, there was no opposition to it; while as there was opposition from my Muhammadan and Parsi brethren, you at once omitted them, but you included only Hindus who did not object to this and then only were you pleased to bring them within the ambit of this amendment of the previous Act.

Raja Bahadur G. Krishnamachariar: That is not correct. There was strong opposition from the Hindus.

Mr. Amar Nath Dutt: Well, there might have been a microscopic minority that might have objected, but that was not heard and that need not have been heard. Then, I have referred to the changes which were made in this Act. Now, this is the state of things and the question now is, what are my friend's objects and reasons in introducing a repeal measure? I have carefully perused his Statement of Objects and Reasons. In the long, nearly one and a half printed pages of foolscap which he has appended, however, he has not been able to meet and he has not even attempted to meet the cogent arguments which induced you to introduce your amending measure at that time, and I find that he only makes certain references about Hindu dissenters. My friend says in his Statement of Objects and Reasons:

"The Special Marriage Act of 1872 was originally intended to meet the urgent demand of the Brahmos and other Hindu dissenters as their legal position at the time regarding marriages was found to be that no form of marriage legally constituted and valid beyond all doubt or question was provided for them."

Here my friend is almost at one with you, but he does not see the same wisdom in the legislation as you have done.

Raja Bahadur G. Krishnamachariar: I have remained ignorant in spite of age!

Mr. Amar Nath Dutt:

"In meeting this restricted position the late Sir Henry Maine attempted to make the question the opportunity for passing a Civil Marriage Act of a most comprehensive nature and in doing so he proceeded on an entirely mistaken view of the position of the Indian Law in this country....."

Here I want to join issue with my Honourable friend. He says "Civil Marriage Act of a most comprehensive nature". Really, it was a very small Act confined to a very small community and only a particular section of the community; it cannot in any way be called an "Act of a most comprehensive nature".

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): Sir Henry Maine's was a very different Bill from what became the subsequent Act.

Mr. Amar Nath Dutt: My friend, when he comes after me, will probably enlighten us more on this matter. (*Voices:* "Go on, go on.") Of course there are some great names here for whom I have the highest regard and respect as the Raja Bahadur has,—for instance, Sir T. Muthusami Aiyar, Mr. Ramaengar and others. But at the same time he says:

"Subsequent to the passing of the Act, attempts were made to amend it on two different occasions, but at each time with a different purpose."

Sir, we are not aware of that. There was a short history which you gave, however, in this connection and, by the way, over the reading of which my friend, Sir Cowasji Jehangir, felt so much irritated (*An Honourable Member:* "Probably he got nervous.") Perhaps:

"The result was that the Bill had the effect of introducing a great change into 'Native Law' and involved interference with 'Native social relations'...."

Here, Sir, I must pause to object to these phrases. I cannot understand why, after three decades of the 20th century have passed, any one should still quote from some archaeological finds of some library which refers to Indians as "Native" and our affairs as "Native social relations".

Raja Bahadur G. Krishnamachariar: I only followed your Socrates.

Mr. Amar Nath Dutt: I may here relate an interesting story for the edification of the House. When a Civilian was on leave in England (I am referring here to the Indian Civilian of those days, not of the present day), the son of a certain subordinate of his, viz., son of a Sub-Judge, went to England to study in Oxford and the Civilian District Judge on meeting him one day asked him: "How many native students are there in Oxford?" The Indian student at once replied: "About 700 or 800." He was very much surprised. This was about 40 years ago, and, because he meant "Indian students" by the term "native", Sir, he was surprised. Then he said, "What? 700 or 800? How can that be?" Then the Indian student added, "there are only six Indian students." He at once understood the point.

[Mr. Amar Nath Dutt.]

I think, such words as "Natives" have fallen into disuse after a retort like that and my friend need not have used even inverted commas to remind us of "Native law" and "Native social relations" of those days.

Raja Bahadur G. Krishnamachariar: I had to follow your Socrates.

Mr. Amar Nath Dutt: Then, Sir, subsequent to the introduction of the Reforms, Sir Hari Singh Gour renewed the attempt.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Honourable Member is aware that what he is reading is in the hands of the Members of the House and I would, therefore, request him no longer to read those things which are available to the Members.

Mr. Amar Nath Dutt: I shall not read it, Sir. But I beg to submit that the Statement of Objects and Reasons has nothing convincing in it if I am allowed to criticise it. The best criticism is to be found in this book about which my friend, Sir Cowasji Jehangir, is so very nervous. However, I think I have already encroached upon the time of the House and the House will pardon me if I take a little more time to say a few more words.

Sir, the amendment moved by my Honourable friend is a very simple one, namely, he wants that the Special Marriage (Amendment) Act of 1923 be repealed. But the effect of it is great, because it will compel truthful men to tell lies, and many other complications will arise. I think the Raja Bahadur will not mind my saying that it would be better if a Bill like this were reserved for the Legislature which will come after the Reforms. He knows very well that in this House heterodox opinion prevails and he stands a very little chance of carrying through such measures. Sir, even I, who has been always with him whenever I found that he had a just grievance, am unable to be with him in this matter and I am afraid I cannot be with him in other matters of this type. I shall be with him only in such matters where I conscientiously feel that it is really an interference with the liberty of the Hindus so far as their religion goes. Sir, I do not like the Raja Bahadur to compel me to have some vermilion painted on my forehead or to have a *chutki* (tuft of hair) on my head. Similarly, I do not like to thrust my own views upon him and to compel him to do away with the *purda* and ask the Rani Sahiba to come out in the public or to have his daughters and grand-daughters married at the age at which we are accustomed to marry them. I will not like to thrust my views upon him and let him not thrust his views upon us. That is my principle. I think the State also will be well advised if they also not interfere in matters like these. That is my request to them. I do not want the State to interfere in matters of social relationship unless they encroach upon the equal liberty of others living in the same society. Sir, there are people who believe in several gods and there are others who believe only in one God. Those who believe in one God think themselves to be superior to those who believe in several gods. But there are some thinking people who do not believe in one or more gods and, at the same time, they do make this allowance for the views of others.

Mr. C. S. Ranga Iyer: I should like to inquire whether this discussion in relation to gods and the anticipatory discussion about the next Bill is relevant?

Mr. Amar Nath Dutt: I am only saying why we should not interfere with the matters that concern matters of faith. As we want that we should be left free, we shall also leave them free. Sir, I have always been with the Raja Bahadur and have never interfered with his views on social rites and customs, and I would like to ask him, whether it is proper for him to interfere with the social rule which a particular community wants to observe or observes according to the present enactment. That being so, I appeal once more to my friend, the Raja Bahadur, to withdraw this Bill, and I for one shall vote wholeheartedly for its withdrawal. But if he does not think it proper to withdraw his Bill, I think he had better accept the amendment which has been moved by my friend, Mr. Badri Lal Rastogi, for the circulation of the Bill. After the circulation of the Bill, I am sure, my Honourable friend, the Raja Bahadur, will be convinced that there is no necessity to proceed further with the Bill. He will find that public opinion is against it and he will also find that he was unnecessarily going to interfere with the social rites and customs of a particular community who are our countrymen. That being the case, if this Bill is opposed at the present moment, I shall wholeheartedly support the opposition. If no vote is taken on that, then I shall support the circulation motion of my friend, Mr. Rastogi. With these few words, I bring my remarks to a close.

Several Honourable Members: Let the question be now put.

Mr. Chairman (Sir Hari Singh Gour): I accept the closure. The question is that the question be now put.

The Assembly divided:

AYES—27.

Abdul Matin Chaudhury, Mr.
Abdur Rahim, Sir.
Azhar Ali, Mr. Muhammad.
Badi-uz-Zaman, Maulvi.
Bagla, Lala Rameshwar Prasad.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Fazal Haq Piracha, Shaikh.
Jadhav, Mr. B. V.
Jehangir, Sir Cowasji.
Joshi, Mr. N. M.
Lalchand Navalrai, Mr.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Maswood Ahmad, Mr. M.

Mitra, Mr. S. C.
Mudahar, Diwan Bahadur A. Ramaswami.
Murtuza Saheb Bahadur, Maulvi Sayyid.
Parma Nand, Bhai.
Rajah, Rao Bahadur M. C.
Ranga Iyer, Mr. C. S.
Rastogi, Mr. Badri Lal.
Roy, Rai Bahadur Sukhraj.
Sarda, Diwan Bahadur Harbilas.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Gaya Prasad.
Uppl Saheb Bahadur, Mr.
Wajihuddin, Khan Bahadur Haji.

NOES—17.

Ahmad Nawaz Khan, Major Nawab.
Anklesaria, Mr. N. N.
Biswas, Mr. C. C.
Dutt, Mr. Amar Nath.
Jawahar Singh, Sardar Bahadur Sardar.
Jha, Pandit Ram Krishna.
Jog, Mr. S. G.
Krishnamachariar, Raja Bahadur G.

Lahiri Chaudhury, Mr. D. K.
Misra, Mr. B. N.
Mukherjee, Rai Bahadur S. C.
Puri, Mr. Goswami M. R.
Raghubir Singh, Kunwar.
Rajah, Raja Sir Vasudeva.
Sen, Mr. S. C.
Sen, Pandit Satyendra Nath.
Thampan, Mr. K. P.

The motion was adopted.

Raja Bahadur G. Krishnamachariar: Sir, I must really protest against the manner in which the debate has gone on on a most important Bill in which the interests of the entire Hindu community are at stake. There were only two speakers who had an opportunity of speaking. My friend, Mr. Amar Nath Dutt, always protesting his regard for me went on criticising me, to which I do not object; but in criticising, he went on reading something which I never understood and he wasted the time of the House by quoting a speech which is already in print, but nobody ever probably cared to read and which he wanted to give some publicity to by going on reading and reading although he himself did not probably know why he was quoting all that. I think, Sir, you felt very uncomfortable when he started talking about the wisdom that actuated you in getting that old Bill passed.

So far as I can see, there is only one speech to which I need reply, because there have been no speakers although I know more than half a dozen friends wanted to speak, that is the speech of my friend, Mr. Amar Nath Dutt. It is perfectly true that he has been all along with me, but today I have the misfortune that he not only is not with me, but he has given me notice that hereafter he may not be with me in some other matters also. That is a calamity which I hope is not going to happen. But what, after all, did he say? He complimented you for having inserted provisions which unfortunately he relied upon in support of his own case. But the crux of your Bill, which was passed as Act XXX of 1923, was that a man, who wanted to be called a Hindu and who wanted to practise all the rites of the Hindu religion, should be compelled when he wanted to marry a woman to declare that he was not a Hindu. That is to say, as I understand it, he wanted that he should be known, called and recognised as a Hindu. That is the reason why he wanted this amendment. What is the result? Every portion, every bit of rights under the Hindu Law he has been deprived of. He is thrown out of the family. He has no right to manage any religious or charitable institution. He has been deprived of the right of succession under the Hindu Law. He has been deprived of the right of adoption, and he is supposed to be civilly dead, because the father can adopt a boy though his first son is alive. Is that the way which actuated the Mover of the Bill in moving what, after all, is claimed to be a permissive measure? But, Sir, this is a dead animal and I do not want to beat it, and to take the time of the House. Consequently, Sir, I submit that there is absolutely nothing to which I could reply in that speech. There is, however, one thing that I want to say. I am quite prepared, if it came to that, to have this Bill circulated, because I am honestly and seriously of opinion that this Bill has not been taken advantage of, and that, therefore, it need not continue to be a blot on the Statute-book. Therefore, I am quite prepared to accept the motion for circulation, and request the House to accept it.

Mr. Chairman (Sir Hari Singh Gour): The original question was:

"That the Bill to repeal the Special Marriage (Amendment) Act, 1923, be taken into consideration."

Since which an amendment has been moved:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st July, 1933."

The question now I have to put is that that amendment be made.

The Assembly divided:

AYES—13.

Ahmad Nawaz Khan, Major Nawab.
Anklesaria, Mr. N. N.
Dutt, Mr. Amar Nath.
Ghuznavi, Mr. A. H.
Krishnamachariar, Raja Bahadur G.
Misra, Mr. B. N.
Puri, Mr. Goswami M. R.

Raghubir Singh, Kunwar.
Rajah, Raja Sir Vasudeva.
Rajah, Rao Bahadur M. C.
Rastogi, Mr. Badri Lal.
Suhrawardy, Sir Abdulla-al-Mámún.
Yakub, Sir Muhammad.

NOES—24.

Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Bagla, Lala Rameshwar Prasad.
Biswas, Mr. C. C.
DeSouza, Dr. F. X.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Jadhav, Mr. B. V.
Jha, Pandit Ram Krishna.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Lahiri Chaudhury, Mr. D. K.
Lalchand Navalrai, Mr.

Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Mitra, Mr. S. C.
Mudaliar, Diwan Bahadur A. Rama-
swami.
Mukherjee, Rai Bahadur S. C.
Parma Nand, Bhai.
Ranga Iyer, Mr. C. S.
Roy, Rai Bahadur Sukhraj.
Sarda, Diwan Bahadur Harbilas.
Seaman, Mr. C. K.
Sen, Pandit Satyendra Nath.
Singh, Mr. Gaya Prasad.
Thampan, Mr. K. P.

The motion was negatived.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That the Bill to repeal the Special Marriage (Amendment) Act, 1923, be taken into consideration."

The Assembly divided:

AYES—12.

Ahmad Nawaz Khan, Major Nawab.
Biswas, Mr. C. C.
Ghuznavi, Mr. A. H.
Jha, Pandit Ram Krishna.
Krishnamachariar, Raja Bahadur G.
Lahiri Chaudhury, Mr. D. K.

Misra, Mr. B. N.
Mukherjee, Rai Bahadur S. C.
Puri, Mr. Goswami M. R.
Rastogi, Mr. Badri Lal.
Sen, Pandit Satyendra Nath.
Suhrawardy, Sir Abdulla-al-Mámún.

NOES—30.

Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Abdur Rahim, Sir.
Amir Hussain, Khan Bahadur Saiyid.
Azhar Ali, Mr. Muhammad.
Bagla, Lala Rameshwar Prasad.
DeSouza, Dr. F. X.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Jadhav, Mr. B. V.
Jehangir, Sir Cowasji.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Lalchand Navalrai, Mr.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Mitra, Mr. S. C.

Mudaliar, Diwan Bahadur A. Rama-
swami.
Parma Nand, Bhai.
Raghubir Singh, Kunwar.
Rajah, Rao Bahadur M. C.
Ranga Iyer, Mr. C. S.
Roy, Rai Bahadur Sukhraj.
Sarda, Diwan Bahadur Harbilas.
Sen, Mr. S. C.
Sher Muhammad Khan Gakhar,
Captain.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Gaya Prasad.
Singh, Mr. Pradyumna Prashad.
Sitaramaraju, Mr. B.
Thampan, Mr. K. P.
Uppi Saheb Bahadur, Mr.

The motion was negatived.

THE CHILD MARRIAGE RESTRAINT (AMENDMENT) BILL.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member, Haji Wajihuddin, has got two Bills. No. 8 on the list is wider than No. 7. Do I understand him to move both?

Khan Bahadur Haji Wajihuddin (Cities of the United Provinces: Muhammadan Urban): Sir, I wish to move No. 7. I beg to move:

"That the Bill to amend the Child Marriage Restraint Act, 1929, for certain purposes be circulated for the purpose of eliciting Muslim public opinion thereon."

Sir, in introducing the Bill to exclude Muslims from the operation of the said Act, I have been prompted by the desire to safeguard the first and foremost article of our liberty, namely, the immunity of the personal law of Muslims of India from interference by the State, which, though guaranteed by Parliamentary Statutes, has been jeopardised by the Act which is hereby proposed to be amended. I have taken into consideration the political dangers and the economical and social evils which are sure to emanate from the enforcement of the Act which has, by a series of unconstitutional actions, come to occupy a place in our Statute-book.

Sir, the most weighty argument for the amendment of the Child Marriage Restraint Act, 1929, is that it interferes with religious freedom. So far as the Muslims are concerned, the application of the said Act to them was not only unjustifiable, but also uncalled for. It is, therefore, obvious that the evil that Act was designed to eradicate does not lie in the marriage ceremony itself, but in the consequences of sexual intercourse before attaining puberty. Islam has already provided a check on pre-puberty sexual intercourse. According to Islamic law, not only pre-puberty sexual intercourse is forbidden, but the entrusting of the wife to the husband is also discouraged before they attain puberty. So, for the Muslims there was no necessity of the Child Marriage Restraint Act to prevent pre-puberty sexual intercourse.

Sir, another evil which emanates from early marriages is that it tends to increase the number of young widows and, where widow remarriage is forbidden, the increase in the number of marriageable widows results in a great deal of misery, social trouble and immoral practice. There is, however, no such danger for the Muslim community, because Islam not only allows the re-marriage of widows, but lays special emphasis on its desirability. Another blessing which may be attributed to the Child Marriage Restraint Act is that, by prohibiting marriage in childhood, when the parties to the marriage contract do not possess the ability to exercise their own will in accordance with reason and good sense in the matter of choice for marriage, it has minimised the possibility of strained relations between the husband and the wife and has ensured matrimonial happiness, domestic peace and harmony. But, Sir, the Muslims do not require the said Act to save them from the consequences of marriages performed before the parties to the marriage attain the age of discretion. Because Muslim law prescribes that if a marriage takes place before the attainment of the age of discretion by the husband or the wife or both, such husband or wife or both can have the marriage dissolved by dissenting to it on attaining the age of discretion. Let me say frankly, Sir, that in socio-religious matters, Islam does not prescribe cut and dried details of a uniform nature for each and every individual without regard

to his individuality or the peculiar circumstances under which the individual is placed. Islam only lays down wide principles, which define the limits that are not to be transgressed by a Muslim, but within those wide limits each individual finds plenty of scope for the adoption of a line of action that may be specially suited to his particular needs and to the peculiar circumstances of his life. This freedom of the individual within the wide limits of broad principles is the keystone of Islam. An encroachment on this freedom of the individual is, therefore, as sacrilegious and offensive to a Muslim as a ban on a positive commandment of Islam. To a Muslim, religious liberty does not mean merely the freedom to perform what his religion makes it obligatory for him to perform, but it also includes his freedom to do what his religion does not prohibit him to do. The religion of a Muslim leaves him free to marry at any age which he considers desirable in his particular case, and the Child Marriage Restraint Act is exceedingly offensive to him, because it interferes with the liberty of the individual in matters of marriage which is one of the fundamental principles of his religion.

Sir, the Muslim is commanded by the Koran to follow in the footsteps of his Blessed Prophet (Sallallahu-alehai-Wassallam). For him the conduct of the Blessed Prophet is the ideal of human conduct. Consequently, it is shocking to a Muslim to be treated as a criminal for the marriage of his son or daughter in childhood, the lawfulness of which was demonstrated by the example set by the Blessed Prophet who married Hazrat Aisha Siddiqah Radiallaitala Anha when she was a minor. A number of instances of child marriages among the comrades of the Blessed Prophet (Peace be upon Him) may be quoted. The marriage ceremony of the infant son of Hazrat Umme-Salma with the infant daughter of Hazrat Hamza, Shaheed-i-Ohad, was supervised by the Holy Prophet. (Vide "Ahkamul Quran Razi Hanafi", Vol. 2, page 55.)

Sir, these are the examples which a Muslim regards with feelings of reverence and in his eyes they provide a religious sanction for child marriage in those cases where circumstances make it desirable. I, therefore, say, Sir, that there is no need for the Child Marriage Restraint Act for the regeneration of the Muslim society. Child marriage is not a common feature of the Muslim community and the Muslims are not temperamentally inclined to indulge in it unnecessarily. But Islam does not take only the normal conditions into calculation; it provides for all the conceivable situations of practical life. Child marriage is, therefore, among the Muslims an extraordinary measure which is adopted only when the peculiar circumstances of a particular case make it necessary. Such peculiar and extraordinary circumstances of practical life have not ceased to exist by the passing of the Child Marriage Restraint Act, and the prohibition of child marriage in those peculiar and extraordinary circumstances, in which it is proper and desirable, will bring about more harm than good. For instance, I may say that old age and lack of trustworthy relatives to look after the interests of his children after his death may justly and reasonably prompt a prudent man to arrange for the marriage of his children in their childhood, and, in that case, child marriage may be the only suitable means of securing the happiness and prosperity of the children. Likewise, economic causes and pecuniary circumstances may compel the parents to arrange for the marriage of several of their children simultaneously and it may not be convenient for them to wait till the youngest of the children attains the minimum age.

[Khan Bahadur Haji Wajihuddin.]

prescribed by the Child Marriage Restraint Act. Similarly, a marriage of children may, in some cases, be the only means of restoring peace and amity between estranged families or of preserving the family property, or the family status. And last, but not the least, child marriage may, in some cases, be the only method of providing adequate protection for the orphans.

Sir, it seems to me quite needless to recount the whole history of the Child Marriage Restraint Act of 1929, which the present Bill proposes to amend. In fact, the whole affair is so fresh in our memories that an attempt to do so will be a mere waste of time and energy or worse than that, it may not tend to produce ill feeling where even the enumeration of facts may reflect on personal matters. But at present I need the sympathy of the whole House. Let us forgive and forget. Let not our personal feelings stand in the way of national interests and religious liberty. I know and fully realise that it is the same House, and my Honourable friend, Diwan Bahadur Harbilas Sardar, is present in the House, who only four years back saw the Bill through and who helped it to become the law of our country. It may look on the surface as strange and paradoxical why should we do and undo the same thing. As all of us know, time and experience are the best standards to judge the merits and demerits of any human achievement. The whole history of civilization is full of examples to show that the judgment of many a wise statesman has not always proved successful and often they had to change their views in the light of experience. We are no exception to the general rule. The past experience of some four years has clearly laid before us at least the spirit with which the Act has been viewed by our people.

No one can deny that since it was proposed, passed and enforced, very strong feelings of resentment have been aroused in the minds of the great mass of population especially Muslims. The Government have already realised its difficulties and troubles in this connection, because it is a well known fact that numerous marriages have been celebrated in contravention of the provisions of this Act even after its coming into force. The Government have so far wisely taken a lenient view of the situation. It is very doubtful whether this state of affairs can be prolonged for an indefinite period. On the other hand, there are indications that the Government might be forced to apply strictly the provisions of the Act especially in regard to the institution of prosecutions, with the result that the religious feelings and susceptibilities of the orthodox population will be seriously inflamed to disturb the internal peace of the country. Particularly the Muslim community in all the provinces in British India regard the Child Marriage Restraint Act as directly opposed to the tenets of, and practices enjoined by Islam. It is, therefore, considered as religious interference, in contravention of the oft-declared and well-established policy of the British Government so strictly observed up to this time. It is unnecessary to repeat all the arguments to prove that marriage in Islam is not a mere social contract as it was once contended, but an inviolable religious sacrament. Again, the inherent nature of a Muslim marriage has been so ably pointed out by my friend, Maulvi Sir Muhammad Yakub, in his dissenting minute to the Age of Consent Committee report, that it is impossible to add anything. But as regards the sanction of child marriage in Islam, I may point out a few of the strongest arguments given

by Maulana Kifayatulla, the President of the Aljamiatul-Ulama-i-Hind, in his letter dated the 7th November, 1929, to His Excellency the late Viceroy of India on the subject. These arguments, based on the best and highest religious authorities of Islam, have been accepted and confirmed by a large number of Ulamas and all notable religious centres in the country, so that it is impossible to deny them. But, as we know, the Act in question does not only restrain pre-puberty sexual intercourse, but marriages also, and not only that, but it penalises marriages of those who may have attained puberty if they have not attained the age imposed by law. If we look to actual facts, we may find a considerably large number of cases in which girls attain puberty before 14 years and boys before 18 years of age. But Islam, in order to guard against the prevalence of fornication and demoralisation, has enjoined to marry boys and girls as soon as they attain puberty, at any age. Under such circumstances, the marriage becomes a compulsory religious duty and the Child Marriage Restraint Act, standing in the way of its performance, means an encroachment on the religious duties of millions of Muslims in India. How can they accept it without neglecting the doctrines of their religion which is so dear to them, and for the sake of which they can willingly lay down their lives! Whatever has been argued from religious proposition, it is simply meant to prove that marriage is purely a religious question and, therefore, any legal restrictions on it will be deemed as religious interference and as molestation of people on account of their belief.

Lastly it is to convince a few of my co-religionists who, owing to their good motives in their enthusiasm for social reform, were misled by the alluring appearances and, not being well versed in religious matters, could not detect the pitfalls under the green. But I am quite sure that these gentlemen must have learnt by this time from our Ulama the right attitude of our religion towards this question. If still there are some doubts on this point, then I must show that as long as we recognise the policy of perfect neutrality in religious matters and of liberty of faith, it is not necessary at all to prove whether a certain belief of a particular class of people is right or wrong or whether these people have any written authority or scripture to support their belief. All religions and religious differences would cease to exist as soon as the whole humanity agrees with the ideas of right and wrong. As long as different religions count Indians among their adherents, it is impossible to regulate social and religious matters by one uniform law applicable to all. We have simply to see what actually a community believes, and we shall have to respect that belief as long as it does not molest others. In this particular case too, we should take the trouble to know that the very great majority of the Muslim people believe that the Act means molestation of their belief and interference in their religion. They have every right to demand their exclusion from the application of the Act. Justice requires that they should be excluded forthwith.

Here I shall briefly refer to how the Muslims protested against the Act even before it was passed and enforced. In the earliest stage of the Bill, as early as March, 1928, the late Maulana Muhammad Ali published a long article in the *Daily Hamdard* in order to voice public resentment against the Bill. He gave strong arguments to prove the impropriety and undesirability of the enactment. On the 10th April, 1928, the *Daily Aljamiyat*, the chief organ of the Ulama, published a very strong article against the application of the Bill to the Muslim community. About the

[Khan Bahadur Haji Wajihuddin.]

and who is not only an eminent lawyer and a great statesman, but who is also a staunch supporter of Islamic Law. I may, therefore, call him Allama Sir Brojendra Mitter Sahib, for whom I have the greatest respect and in whose sincerity and frankness I have full confidence. Sir, I appreciate his most historic speech of the 3rd February, 1931, on the motion for consideration of the Special Marriage (Amendment) Bill in which my esteemed friend, the Honourable the Law Member, so vehemently supported the Muslim point of view and declared:

"It is the fixed principle of the Government of India not to interfere in any way whatsoever with the personal laws and customs of the different peoples of India unless they have very strong and conclusive evidence that the change is desired by the people who are affected" (*vide* page 595 of the Assembly Debates of 3rd February, 1931.)

My Honourable friend also stated:

"So far as the Muslim community is concerned, it has been often said and it is, I suppose, believed by some, because of repetition, that a Muslim marriage is a mere matter of contract. It is nothing of the sort. The fundamental basis of a Muslim marriage is religious sanction. Where is the sanction? The sanction, Sir, is to be found in the Koran, the holy book of the Muslims. I shall examine presently what will be the effect of a statutory marriage on the rights and obligations of Muslims under the Muhammadan Law. It will be admitted by everybody that the Muslims are governed by their personal law as the Hindus are governed by their personal law." (Page 597.)

"I said before that Muslims like the Hindus are governed by their personal law. I shall take a few branches of the personal law and very briefly say how each of these branches of the personal law of Muslims will be affected by this measure." (Page 555.)

My Honourable and esteemed friend, Allama Sir Brojendra Mitter Sahib, further said:

"All I am addressing myself to is this that this measure (Special Marriage Amendment Bill) is an interference with the Muhammadan law; it takes away rights from the Muslims which the Muhammadan law gives them; that is all I am concerned with at the present moment. Any Muslim marrying under this measure will be deprived of valuable rights which the personal law gives him or her." (Page 601.)

My Honourable and esteemed friend further observed in these words:

"Sir, we have got two ancient codes of law in this country. These systems of law, the Hindu and the Muslim systems of law, have preserved Hindu society and Muslim society through many centuries. Do not play with these systems by bringing forward this sort of subversive legislation (*i.e.* Special Marriage Bill). It is destructive of the whole structure which has preserved these societies through all these long centuries. It undermines the very foundations upon which these social institutions are based, and the institution of marriage is an important part of that foundation. Sir, I do appeal to this House not to play with the ancient institutions of marriage in this country." (Page 605.)

Sir, these observations of my esteemed friend, the Honourable the Leader of the House, give me every hope of not only his support in this measure, but the unanimous vote of the Government which would be based on exactly the same principle which the Government have already adopted on the 3rd February, 1931. Moreover, Sir, the events of the last four years have amply demonstrated the widespread unpopularity, especially among the Muslims, of the Sarda Act. The rush of child-marriages throughout the length and breadth of India in the short period intervening between its enactment and its enforcement shows how unprepared the country was to accept such a piece of injudicious and impolitic legislation. Even after the date of its enforcement, the Act has been persistently disobeyed. The Government have, heretofore, wisely taken a lenient view

of its violation. It is, however, feared that if the Government insisted on a strict enforcement of this Act, there would be political trouble of a stupendous magnitude, for the Act jars on the most dearly cherished sentiments of the people of India. On the contrary, if the Government allow the people to continue to disobey the Act with impunity, the consequence will be a general decrease of the respect in the eyes of the public for law and order. There is no use having on the Statute-book an Act which should not and cannot be enforced. Laws are to be obeyed and not to be disobeyed. Political wisdom necessitates that the Act be forthwith amended.

After submitting so many convincing facts, I should have moved for the consideration of my Bill, but with a view to having the Government of India convinced that a very great majority of my community is really anxious to be exempted from the operation of the Sarda Act, I move that the Bill be circulated for eliciting Muslim public opinion thereon. I do hope that every section of the House will appreciate my action in this connection which, I think, is quite modest and which affects neither any vital principles of the social reformers nor the attitude adopted in the past by the Government. Let me assure you, Sir, as regards my next step. My motion for consideration will only come up in case the majority of Muslims are in favour of my Bill. So it is a quite harmless motion and is acceptable by all the sections of the House. With these observations, Sir, I move that the Bill be circulated for eliciting Muslim public opinion thereon.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That the Bill to amend the Child Marriage Restraint Act, 1929, for certain purposes, be circulated for the purpose of eliciting Muslim public opinion thereon."

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions; Muhammadan Rural): Sir, at this stage of the Bill it is not necessary for me to deliver a long speech. My object in intervening at this stage is to assure the House that the Muslim community in general is very anxious that the Muslim marriages should not come under the restrictions imposed by this Act. Since this Act was passed, meetings have been held nearly in all the districts, and Resolutions have been passed against it. So, my object only is to show to the House that the feelings among the Mussalmans are very intense, not only because they want to marry their children at an early age, but on the general principle that they do not want any Legislature to interfere with their religious and personal laws and it is on this principle that the Bill for restraining the child marriage was opposed in this House. With these few remarks, I lend my support to the motion moved by my Honourable friend, Khan Bahadur Haji Wajihuddin.

Maulvi Muhammad Shafee Daoodi (Tirhut Division; Muhammadan): Mr. Chairman, our friend, Khan Bahadur Haji Wajihuddin, has done a great service by introducing this Bill which has been the desire of the Muslim community for a very long time. He has given us the history of the Bill as it originated in this House and has traced it successfully up to the present time. I would like, Sir, to draw the attention of the Honourable Members to one point, and it is this. They might have seen in the course of the last four or five years during which Bills of this nature have been brought in this House that the Muslim community does not

[Maulvi Muhammad Shafee Daoodi.]

like any interference whatsoever with their religious laws which is called the Shariat-ul-Islam. It ought to have been very clear to our friends on this side as well as on the Government Benches that the one thing that the Muslims cannot tolerate is that the Shariat-ul-Islam should not be touched by this Legislature and I have been persistent in asserting that if the Hindus like the same privilege for themselves, we should certainly give that privilege to them. It is on that basis that on many occasions when Bills of this nature have come before this House I have personally refrained from voting on those measures and have asked my Muslim friends to do the same. That has been my conviction and, I believe, that if the two great communities act on that principle, there will be great harmony restored to them. But I am afraid it is not being observed. I should not say that it is not being observed by the Hindus alone, but there are some Muslim friends of mine also who at times do not like to observe that principle. I will take this opportunity to remind the House of the great harm that they are doing to both the communities by not adhering to the golden principle of being neutral in religious matters. The Government committed that mistake in 1929 and brought in the Mussalmans in the purview of that Bill and saw the result of it.

I remember the great agitation that was carried on in those days by the Muslim theologians as well as that great enlightened leader of the Muslim community, Maulana Muhammad Ali. He had convened a special Conference of all the theologians both versed in Arabic as well as in English at Cawnpore on the 23rd December, 1929, to discuss whether the measure should be allowed to remain on the Statute-book or not and a vehement protest was made from that town in those days. Even after that, we did not see any change in the mentality of the Government officials. Thanks to the good sense that has prevailed of late, that things have improved. Of course, much credit is due to our learned friend over there, who is the Leader of our House, Sir Brojendra Mitter. Ever since he took charge of his Department he has proclaimed that that was not the principle to be tolerated in this House and since then I see that Government had been keeping neutral. So many Bills have come after that time and on all occasions the neutrality of the Government has been demonstrated. I would appeal to my friends on the other side to act in consonance with that principle in future and never to violate it. But I find that our friends have been trifling with this right. Sometimes they have been manoeuvring us in such a manner as to snatch some votes from us for their own community and then they blame us for interfering with their religion. I would ask them to make it a principle in this House to establish a convention that neither the Muslims nor the Hindus should interfere with the religious laws of either of them, and there should not be any violation of this principle in future. If I get an assurance of this nature from the Honourable Leaders of the Hindu community, I would be very much satisfied, and I would feel that so far as legislation on religious questions is concerned, our future is safe. We have, of course, been fighting for this principle to be embodied in the constitution so that any apprehension in the minds of Muslims may not arise at all, but I find that some constitutionalists doubt the wisdom of it. But I would press it till the last so that it may not be secured by convention only, but secured to us by the constitution, and I hope my friends on this side will

make clear to Government that none of the Hindu Members would like to interfere with the Shariat-ul-Islam in any way whatsoever. With these words, I support the motion of my Honourable friend, Haji Wajihuddin.

Mr. B. Sitaramaraju (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Sir, at the very outset I may inform you that I do not propose to take more than five minutes. Sir, I may assure you that so far as I am concerned, I entirely agree with the remarks made by the Honourable Member who has just resumed his seat. In matters pertaining to Hindus, he assured us that he on his part would like his brother Muslims not to take any part. Sir, I think it is a very reasonable suggestion for us to consider and I for my part am in entire agreement with him. Sir, orthodoxy is not my "doxy"; it may be that of my Honourable friend, the Raja Bahadur. Heterodoxy may be the "doxy" of somebody else, but it is not my "doxy" either.

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Then which is your "doxy"?

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): Paradoxy.

Mr. B. Sitaramaraju: My "doxy", Sir, is public opinion and when my Honourable friend, the Mover of this motion, suggested that this measure should be referred to the public opinion of this country, I entirely agree with him, because any reference of matters of this kind to the bar of public opinion would not only now, but always, have my support. Sir, I am sorry for one thing. The Honourable gentleman has tabled two Bills; he has taken up only one Bill which refers to the Muslim community. There is also the other Bill which applies to all communities and I wish that the broader question had been taken up for, as the public as a whole are very much agitated over this question and they rightly believe, — there is a very strong section which rightly believes that this is an encroachment on the religious privileges of the people. Sir, if religion is a strong sentiment for the Muslims, it is just as much a strong sentiment for the Hindus as well. The Hindus have as much faith and reverence for their religion as the Muslims have for theirs, and, therefore, I would suggest that in matters of this kind, you have to take the broader aspect and think from the point of view of every one of us. With these few remarks, I support the motion for circulation of this measure.

The Honourable Sir Harry Haig (Home Member): Sir, I do not propose to detain the House long. The House will remember that the question of repealing or amending this Act was before them in the last September Session, and at that time it fell to me to state the view of Government. In the speeches which have been made hitherto, it appears to me that no attention has been directed to the causes which led to the passing of the Sarda Act. It was not from any wanton desire to interfere with the religious practices or beliefs of any community in this country, — that is the last thing that Government desire to do, — but it was because it was believed that this Act would be a step in the direction of dealing with what was felt to be a serious social evil. It was felt that it would tend to alleviate human suffering and to promote the welfare of the race. It was on those grounds and those grounds alone that Government lent their support to this measure. Now, Sir, in order to achieve that result

[Sir Harry Haig.]

it was found necessary,—and I do not deny it,—to prohibit practices for which a religious sanction was claimed. That was undoubtedly the case with regard to the Hindu community. Their position was that their religion enjoined upon them the marriage of their children at a particular age. But even so it was felt that the social considerations were so strong and so overpowering that they should prevail.

Now, Sir, we are discussing here the Muslim objections, objections again which I do not in any way desire to underestimate. Sir, the Muslims, as I understand the matter, have never claimed that child marriage is enjoined upon them by their religious law. Therefore, Sir, I think it is not unreasonable that we should ask them to look upon this, as it is intended to be, as a measure of social reform and not one that trenches on the practice of their religion. It may be of course that certain Honourable Members,—the Mover of this Bill appears to be one of them,—feel that for certain material reasons, economic considerations, family difficulties or whatever it may be, it may be desirable in exceptional circumstances that girls should be married before the age of 14. But, Sir, if these are the grounds on which this Bill is supported, I maintain that it is not reasonable to appeal to the precepts of religion. If it is to be on social grounds, well, then, it is sufficient to answer them with arguments of social welfare, and if those arguments of social welfare are weighed against the considerations that my friend, Haji Wajihuddin, has put before this House this afternoon, I think there can be only one answer and that is that the considerations which led to the passing of the Bill outweighed any exceptional inconveniences that may be caused owing to exceptional family conditions.

Now, Sir, the last thing I have to say is this, that this Bill proposes that a certain community should be excepted. Now, if an exception were allowed for one community why should it not be allowed to others? If it is allowed for the Muslim community, why should it not be allowed for the Brahmins, who are very much more closely affected? It is essentially a general law justified on general grounds of social welfare and humanity.

Maulvi Muhammad Shafee Daoodi: I may tell the Honourable Member that the Muslim community did not require a law of this kind and the Hindu community did require it. We do not require it, that is our position.

The Honourable Sir Harry Haig: It may be the Honourable Member's position, but I understood the Honourable the Mover of this Bill to be justifying the practice of marriage of girls under the age of 14 in certain exceptional circumstances.

Khan Bahadur Haji Wajihuddin: On religious grounds.

The Honourable Sir Harry Haig: It is essentially a general law and it can not be treated in my view as a communal law. Once that position were accepted, the justification for the law would disappear, for the justification is that we are dealing with a question which affects the lives and welfare of all the people as human beings and not as members of one or other community. I will go further and say, it is only in that view of the matter that this Legislature has any right to intervene in this question at all. I think, Sir, I have made plain the reasons why the Government are not able to accept this motion.

Mr. O. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, I rise to make a request to the Chair. In view of the great feeling in the country regarding the Untouchability Bill which I find rather far down on the Agenda and in view of the brisk business that we have done today in regard to the two Bills, I request the Chair to enable us to get to the introduction of the Untouchability Bill by sitting till 6 or 7 O'clock.

Several Honourable Members: Nothing of the kind.

Raja Bahadur G. Krishnamachariar: It is not a fact that the country is in any way interested in this Anti-Untouchability Bill.

(At this stage there was continued jeering and shouting at the Honourable Member.)

I cannot understand why all this howling when I am meeting Mr. Ranga Iyer's request. What I beg respectfully to submit, in spite of the shouting that has been made against me, is that the country is absolutely in no way interested in this Anti-Untouchability Bill. The only persons, who are interested, are a few, whom I do not want to mention. I very strongly object to any special favour being shown to any Member, by sitting till 6 or 7 O'clock or till it pleases Mr. Ranga Iyer, to introduce the Bill and make the motion.

Mr. Chairman (Sir Hari Singh Gour): Order, order. At present the subject under discussion is Khan Bahadur Haji Wajihuddin's Bill. Sir Abdulla Suhrawardy.

Sir Abdulla-al-Mamūn Suhrawardy (Burdwan and Presidency Divisions: Muhammadan Rural): Sir, I had no desire to intervene in this debate at such a late hour of the day, but I am compelled to do so, as I happen to illustrate in my person that paradox which my Honourable friend, Mr. C. C. Biswas, has attributed to my Honourable friend, Mr. Raju, who declared that he stood neither for heterodoxy nor for orthodoxy. Though, judged by my outward appearance, I am a heterodox, I stand here today as the champion of Mussalman orthodoxy.

I would not have intervened in the debate but for the most disappointing speech of the Honourable the Home Member. He talks about humanity, he looks upon the population of India as human beings not as Mussalmans or Hindus. I hope that he will continue to look upon the Mussalmans and Hindus as forming one homogeneous Indian nation, not as belonging to different communities but as children of one and the same country. When it suits his purpose, then India is a congeries of warring communities and of clashing and conflicting interests, and we hear all sorts of phrases like that and of pacts of minorities and majorities. He has different arguments and phrases for different occasions. Therefore, when it suited his purpose, all considerations of danger to the peace and happiness of the people were disregarded and, in the name of "humanity", the mischievous Sarda Act was passed, aided and abetted by the Europeans. Whether there was any political or moral justification for it at the time, I do not know, but on the present occasion the Honourable the present Home Member takes his stand on the moral ground of humanity apart from political considerations. He said: "The Mussalmans stand on a weaker ground than the Hindus, because, so far as the Hindus

[Sir Abdulla-al-Māmūn Suhrawardy.]

are concerned, it is a question of religion with the Brahmins, but so far as the Mussalmans are concerned, they can never claim that child marriage was enjoined by their religion". It is perfectly true that unlike the religion of the Hindus the religion of the Muslims does not enjoin child marriage. But what about polygamy? Polygamy is permitted, but not enjoined by the Law of Islam. Does the Honourable Member dare introduce a Bill in this House for the abolition of polygamy?

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): What the Turks and Egyptians do?

Sir Abdulla-al-Māmūn Suhrawardy: What the Turks do or what the Egyptians do is quite a different matter. The Turks are governed by Turks and the Egyptians by Egyptians. When you get the Swaraj of the Indian Mussalmans and Indian Muslims rule India introduce whatever law you like, but so long as you are ruled by the British and the Queen's Proclamation stands, you cannot do this. Our friend, Haji Wajihuddin, very rightly quoted passage after passage from the most masterly and illuminating speech of the Honourable the Leader of the House with reference to the Special Marriage Bill (Interruptions.) This is the way in which Government favours the Mussalmans (Interruptions.) I do not ask for any favour from Government and neither do I want my Mussalman friends to accept any favour from Government, to hang on the smiles of Government and wait in deputation on Government, specially my Muslim friends from the United Provinces, influenced and corrupted as they are by the teachings of a great centre of learning there, famous for its intensive inculcation of the doctrine of flattery and favouritism. My learned friend, the Home Member, hailing as he does from the United Provinces, should have known the depth of the feeling of opposition of the Mussalmans to the Sarda Act. Does he not know that in order to evade the operation of the Sarda Act, before the Bill became law, an *ex-Home* Member of the United Provinces entered into a conspiracy with the Chief Judge of the Oudh Chief Court and set a conspicuous example of child marriage

5 P.M.

Mr. K. Ahmed: Nothing of the kind.

Sir Abdulla-al-Māmūn Suhrawardy: I do not think that Mr. Kabeer-ud-Din Ahmed who has imposed upon himself perpetual childhood and is therefore perpetually restrained against marriage, condemned to perpetual celibacy, is the proper person to speak on this point.

Mr. K. Ahmed: My Honourable friend is rather out of order, and this portion, I submit, Sir, should be expunged from the proceedings.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): We cannot follow the speaker if this sort of interruption goes on.

Mr. Chairman (Sir Hari Singh Gour): Will the Honourable Member speak up?

Mr. K. Ahmed: And speak correctly to the point, and without irrelevancy.

Sir Abdulla-al-Māmūn Suhrawardy: I was referring to the point made by the Honourable the Home Member that the Muslims can never claim that child marriage was enjoined by their religion. I say that polygamy and many other practices are also not enjoined by our religion. *Muta* marriage, "companionate marriage", is now considered the best form of marriage even in certain parts of civilised Europe and America. Are those marriages tolerated on moral grounds by the conscience of Great Britain? Many things are not enjoined by Muslim law. My point is this: *Muta* is not enjoined by Muslim law: polygamy is not enjoined by Muslim law. The Koran, the Holy Book, on which the Muslim law is based, is very explicit, and it may be a matter for surprise to some that the Koran even recommends monogamy. The words of the Koran are: If a man wishes to marry, he may marry two, three or four, but not more: and if he cannot observe equity among his wives, then he must marry *one only*. So the recommendation is there in favour of monogamy, but polygamy is permitted. Similarly, child marriage is permitted and as has been repeatedly pointed out by my friend, the Mover, under special circumstances child marriage is a moral necessity: and the introduction of this Sarda Act interferes with many branches of the Muslim law: for example, the right of *Khayar-ul-Bulugh* which is well known to my friend the Honourable the Leader of the House. That itself shows that there is great difference between Muslim child marriage and Hindu child marriage; but my friend, the Home Member, says that the law must be uniform for the whole of humanity. Will my Honourable friend point out to me what the law of England itself was before the Sarda Act was introduced in this House? Was not the age of marriage for girls 12 and for boys 14? Nothing happened then to move the conscience of the Home Member. I do not know whether Diwan Bahadur Sarda is proud of his performance: but I do know that he does not wish the Act to be called after his name: more than once in this House and outside he has protested against my description of this Act as the Sarda Act. But I must do justice to him, because he never introduced the Act in a form applicable to Hindus and Muslims and Christians and all the population of India. He introduced his Bill for the Hindus alone and designated it the Hindu Child Marriage Restraint Bill—but the whole mischief has been done by the Government and by the Europeans, forgetful of the fact that India is a continent in itself. Can he point out to me, can any one of my European friends point out to me whether the same marriage law is applicable as regards the age of consent to the whole of Europe? Does it not differ on the Continent and in the various States of Europe and do not their marriage laws differ from that of England even today? Is India like the little island which you call Great Britain? In the North-West Frontier Province at the age of 14, a boy or a girl is more well developed than perhaps a boy or girl hailing from the South of India or the plains of Bengal at 20

Mr. Arthur Moore (Bengal: European): May I point out to my Honourable friend that as far as I can recollect, the recommendation changing it from a Bill solely applicable to Hindus was a recommendation of the Select Committee, not of a particular section of this House?

Sir Abdulla-al-Māmūn Suhrawardy: They may have changed it in the Select Committee; but who dominated the Select Committee? I know that my European friends supported it and I know that the officials

[Sir Abdulla-al-Māmūn Suhrawardy.]

supported it. Without their support, was it ever possible for the Bill to go through? We are in a minority in this House; everyone knows that. Even if all the Muslim Members solidly voted *en bloc* on a particular question, they are bound to be defeated: our total number is only 30, more or less, and our voting strength negligible. But what is our feeling outside? Some indication of it has been given by my friend, the Mover, in the course of his speech, and the Honourable the Home Member, who was the Honourable the Home Secretary when the Bill was enacted, may also know something about it. Maulana Muhammad Ali in 1929, and Maulana Kifayatullah, a gentleman with whose political activities I have no sympathy, but who certainly voiced the feeling of every Muslim on this question and many others condemned this measure. Does not the Honourable the Home Member know what happened in Peshawar and in other places? It was the Sarda Act which was responsible for so much trouble and bloodshed in the North-West Frontier Province

Mr. K. Ahmed: No, no.

Sir Abdulla-al-Māmūn Suhrawardy: So long we have been silent; so long we have not agitated; we have not joined the civil disobedience movement

An Honourable Member: What has it got to do with this?

Sir Abdulla-al-Māmūn Suhrawardy: We have not till now listened to the seductive music of the Congress and the Opposition

An Honourable Member: That was your mistake.

Sir Abdulla-al-Māmūn Suhrawardy: We had been hoping that when this Bill will come up before the House, especially in view of the speeches of the Honourable the Law Member in which he clearly pointed out that interference with religion is not the present policy of Government, that our laws, religious and personal, will be respected and not interfered with. But today, judging from the speech of the Honourable the Home Member, we realise that we were hoping against hope. The Honourable the Home Member will soon know the consequences if he persists in his present attitude towards the Muslims.

An Honourable Member: They know it thoroughly well.

Sir Abdulla-al-Māmūn Suhrawardy: They will know that it will soon unite Hindus and Muslims in a common cause of obstruction or destruction.

An Honourable Member: Is that a calamity?

Sir Abdulla-al-Māmūn Suhrawardy: Instead of remaining neutral as on previous occasions, the Government have now taken the attitude of opposition to it, knowing full well that the Muslims are united over this question . . . (Interruption). Mr. Kabeer-ud-Din Ahmed seems to be the keeper of the conscience of the Government and of the conscience of the Honourable the Home Member

Mr. K. Ahmed: I understand the debate, if nobody else can understand.

Sir Abdulla-al-Māmūn Suhrawardy: There are only one or two points which I want to submit to the House as regards the absurdity of this Bill. We are not at all discussing the merits of the Sarda Act, but, because it affects us, I feel compelled to say something about the merits of the Act. This is one of the absurdest pieces of legislation. I have never disguised my opposition to this Act, because it seeks to make a crime of what under the law of British India is a lawful act. The marriage does not become null and void. A girl of 13 is married to a lad of, say, 14 or 15, and the marriage is not void, but for that

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Government want money only; they are penniless now.

Sir Abdulla-al-Māmūn Suhrawardy: You only make marriages more expensive and more difficult for people in a country where marriage is considered as a sort of religious necessity or sacred duty and not for a country where celibacy is the order of the day. After all, what suffering does it cause? Instances have been given by my friend, Khan Bahadur Haji Wajihuddin, in the course of his speech to show how if a widow on her death bed with a girl of 13, does not give her the protection of marriage, she is thrown adrift. What is she to do? Cast her adrift? Many *badmashes* will follow her, when she is deprived of the protection of her natural guardian. In the condition of this country, where there is no registration of births at all, how is it possible to find out whether a girl is really 13 years 11 months and 29 days, one month or one day short of 14, or whether a boy is under 16 or above 16. Shall we have the parties medically examined before marriage? The Honourable the Home Member knows it or he at least ought to know it that the Hindus and Muslims resent nothing more than any examination of that kind

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): The House may now adjourn. The House may now adjourn.

Sir Abdulla-al-Māmūn Suhrawardy: Any unscrupulous person can within a year, on the deposit of only Rs. 100, bring into disgrace any respectable person he likes

An Honourable Member: The House may now adjourn.

Sir Abdulla-al-Māmūn Suhrawardy: This is what has happened by the introduction of the Sarda Act. It might have pleased a Miss Mayo; it might have, to a certain extent, re-habilitated the Government of India in the eyes of the Americans, but so far as India is concerned, it has been an instrument of great oppression, tyranny and blackmail. If the Honourable the Home Member doubts it, he can find out that the name of my friend, Diwan Bahadur Sarda, has become more famous or infamous than even the name of Mahatma Gandhi. Ask any *chaprassi* or any person in the lowest stratum of Hindu society, and he will tell you what the real opinion in Hindu society is. It is not like the abolition of Sati. It is not like the Age of Consent Bill. You are making marriage itself a crime. Then, as I attempted to explain before, in legislating for the whole of India, which consists of so many provinces and Indian States, with Orissa and Sind clamouring for separation, and so on, you are going to have the same age for a whole continent.

Several Honourable Members: The House may now adjourn.

Sir Abdulla-al-Mámūn Suhrawardy: I do not know if it is your intention to sit till 7 O'clock.

Mr. D. K. Lahiri Chaudhury: We do not want to sit till 7 O'clock.

Several Honourable Members: The debate may now be adjourned.

Mr. D. K. Lahiri Chaudhury: We can't go on like that.

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): Sir, may I make a request?

Mr. Chairman (Sir Hari Singh Gour): Order, order: How long is the Honourable Member likely to take?

Sir Abdulla-al-Mámūn Suhrawardy: I will take some time, at least an hour.

An Honourable Member: Why not adjourn till tomorrow.

Mr. Chairman (Sir Hari Singh Gour): The House will adjourn till tomorrow at Eleven of the Clock.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 28th February, 1933

LEGISLATIVE ASSEMBLY.

Tuesday, 28th February, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Sir, before the proceedings of the day commence, I wish to bring to your notice that a newspaper called the *Hindustan Times* has in today's issue published something which I never said. The paper states in column 2 at page 1 that "Mr. K. Ahmed, Mr. C. C. Biswas and Mr. Ram Krishna Jha opposed Sardar Sant Singh's motion, the objective being to make way for the Abolition of the Untouchability Bill". You remember, Sir, that I never said anything about the Untouchability Bill when we were having discussion on Sardar Sant Singh's motion. My point was that Mr. Sant Singh's motion could not be adjourned on the ground that my friend from Karachi had got a letter from Mr. Sant Singh saying that he wanted to withdraw the Bill.

Mr. Chairman (Sir Hari Singh Gour): If the Honourable Member has any grievance against the Press, he has the usual remedy. It is not a matter for debate in this House.

Mr. K. Ahmed: Sir, the Chair is the custodian of the rights and privileges of the Members of the House and if anything debated in the House is not reported correctly, it is for the Chair to protect the rights of Members. According to the practice, I ask you to warn the reporter in the gallery so that in future this mistake may not take place. Otherwise, it would not look nice and fair from the point of view of the Members, if the proceedings of the House are not correctly reported.

STATEMENTS LAID ON THE TABLE.

Mr. H. A. F. Metcalfe (Foreign Secretary): Sir, I lay on the table the information promised in reply to starred questions Nos. 300 and 301 asked by Mr. Maswood Ahmad on the 8th February, 1933.

INSPECTION OF ANGLO-VERNACULAR MIDDLE AND PRIMARY SCHOOLS BY THE SUPERINTENDENT OF EDUCATION, DELHI, AJMER-MERWARA AND CENTRAL INDIA.

*300. (a) Yes.

(b) Yes.

(c) No. The medium of instruction in the primary schools in the Central India Agency is Urdu, Hindi, Gujrati and Marathi. In the European and the Anglo-Vernacular Schools, English is the medium of instruction.

(d) The Schools are inspected by the Superintendent of Education himself and not by his stenographer.

(e) The Superintendent of Education is fully conversant with Hindi. As regards his stenographer the question does not arise *vide* (d) above.

[Khan Bahadur Haji Wajihuddin.]

same time, the Muslim Members of the Assembly received a number of telegrams to the same purpose from the various Muslim religious centres. These were afterwards published in the *Aljamiyat* and in the Muslim press throughout India, more articles were published and by profusely citing religious authorities it was clearly proved that the proposed Bill was against the tenets of Islam. In September, 1928, 22 Muslim Members of the Assembly laid before the Government a memorandum to show their disapproval of applying the Bill to the Muslim community. On the report of the Select Committee, two Muslim Members wrote their dissenting minutes, because the proposed Bill violated the principal law of the Muslims. I understand my Honourable friend, Mr. Ghuznavi, handed over to the Home Member a *fatwa* signed by a number of leading *Ulamas* of India to prove that the Bill was a religious interference and unacceptable for the Muslims. In February, 1929, when the Bill was under discussion, many Muslim Members expressed their disapproval, but in September, 1929, when it came for final discussion, out of 22 Muslim Members present, 16 opposed the Bill and handed over a written statement to the Honourable the Home Member. My friend, Maulana Muhammad Shafee Daoodi, proposed an amendment to exclude the Muslim community from the application of the law, but the amendment was dropped by the opposition of the majority of the House. As the last resort, the majority of Muslim Members walked out as a protest and the Bill was passed by the House regardless of Muslim opposition. All the Muslim Members of the Council of State unanimously opposed the Bill, but again it was passed by the majority of that Honourable House. A Muslim Deputation was formed, which earnestly requested His Excellency the Viceroy to exclude the Muslim community from the application of the Bill by means of a special Ordinance. During all this time strong articles were written against the Bill by many representative leaders of the community. In the whole of India, large meetings of Sunnis and Shias were held, resolutions were passed and communicated to His Excellency. All the chief organs of the Muslim press, like the *Inqilab*, the *Zamindar*, the *Millat*, the *Aljamiyat*, the *Sach*, the *Himmat*, the *Siyasat*, the *Sirat*, the *Mahajir*, the *Asr-i-Jadid*, the *Alaman*, the *Khilafat*, the *Haqiqat*, the *Imarat*, the *Tarjuman-i-Sarhad*, the *Shabab*, the *Ittihad* and the *Alkhalil* voiced public opinion against the Bill. In short, the Muslim leaders and representatives tried all constitutional methods to impress the Government with the resentment of the Muslim community against the Bill.

It was a matter of great regret and no less astonishment that a social reform was thus forcibly thrust upon an unwilling people, with the help of a tyrannical and unconstitutional legislation. I call it tyrannical, because it was forced on the people, because it violated the freedom of belief and threatened to molest people on account of their beliefs, and because it set aside the promise of religious neutrality and of defending the civil and social rights of the people—promises that were solemnly given by Her Majesty Queen Victoria to her subjects and strictly fulfilled and confirmed by Her Majesty's successors and deputies. I call it unconstitutional, because all of us are fully aware how the Bill, that was recommended by the Select Committee and finally passed by the House, widely differed in form and principles from what it was at its first stage and that no special permission was ever obtained from the Governor General to make the changes. In fact, the Select Committee itself were doubtful and divided as to the propriety of materially amending a Bill whose principle

had already been accepted by the Assembly and of adopting the unusual step of substituting an entirely new Bill of quite a different nature. It was advocated in favour of the Bill in question that it would effect a desirable social reform. But it must be borne in mind that social reforms can with best effect be made only through the gradual education of the people concerned and not by means of legislation. History teaches us that such attempts have always proved futile unless the people have already been prepared for it. Such laws, however good they may be in their aim, invariably end in disaster. They aim at killing a vice, but without achieving their object, they create thousands of other evils. It is not fit for law to trespass upon the domains of popular beliefs or religion; otherwise it is sure to result in utter failure. Moreover, in social and religious matters, there must be allowed a wide margin for different circumstances and variations in actual life, and no secular law can ever encompass all of them. Thus social matters, if narrowly regulated by law, must cause a great deal of hardship for the people. To illustrate, I may give an example. Suppose a widow, with a daughter, aged thirteen, is at her death bed. Having no relatives to take care of the daughter, the mother is much worried about the young girl and the only way out of the difficulty is to marry her, so that she may be looked after by her husband or his family when the mother is gone. But, under the present law, she is unable to avail herself of this method. Imagine the painful agony which would torture the mind of the poor soul and think of the possibilities of the young girl being drifted away by temptation or lust. Many other examples can be added and yet they actually occur in daily life and are not mere flights of imagination. Moreover, evils are caused by pre-puberty sexual intercourse, which is a crime in the eyes of Islam. No evils arise from the marriages of minors especially under Muhammadan law, which allows the marriages of widows and which provides that the marriage of minors can be dissolved if the parties desire it after attaining majority.

Again, I would venture to impress upon the House that individually we are perfectly at liberty to believe or practise as we like, but none of us has a right to impose his personal belief on the masses by means of legislation unless it is perfectly in harmony with the views of confirmed religious leaders, i.e., the *Ulamas* among the Muslims, and Pandits among the Hindus. Those who are actuated by philanthropic zeal and those who earnestly and sincerely desire to work as social reformers must toil and wait till they convince the people by gentle persuasion. To effect social reforms by means of legislation seems to be a short cut, but unfortunately it leads to the opposite direction and is beset with dangers.

The law in question was originally meant to be a civil law and that was to be applied to one community. But when it was moulded into a criminal law and its application was extended to all other communities, including Muslims too, the people saw a real danger threatening their social and religious structure and encroaching upon their civil rights and privileges. It caused a widespread discontent. Sir, oriental people are often regarded as fanatics. It may or may not be true, but at least religion is still a living motive-power among us. As a matter of fact, it can neither be denied nor ignored. The slightest interference in religious matters excites the greatest resentment among the masses in this country, and martyrs are not lacking in the name of God.

Sir, I think we are very fortunate to have today amongst us a very distinguished personality who holds the office of the Leader of the House

INSPECTION OF RECOGNISED SCHOOLS IN THE ADMINISTERED AREAS IN CENTRAL INDIA.

*301. (a) At the time of the appointment of the present Superintendent of Education there were 41 recognised schools, i.e., six High Schools, five middle schools, one special school and twenty-nine primary schools. On the 1st January, 1933, however, owing to the retrocession of certain areas to Indian States the number of such institutions stood at 31, i.e., five High Schools, one Special School and 24 Primary Schools.

(b) The expenditure on the inspectorate in Central India during the year preceding the appointment of the Superintendent of Education was Rs. 4,078 and the total expenditure during the year 1932 was Rs. 3,937-10-0.

(c) Considerable improvements in the work of direction, inspection and control of schools have been effected. Discipline, instruction and results in schools have markedly improved. Expenditure has not increased. Government, therefore, see no reason to dispense with the present arrangement. There are no Government educational institutions as such, but the administrative control of the Cantonment Board Schools at present vests in the Superintendent of Education.

DEMANDS FOR SUPPLEMENTARY GRANTS IN RESPECT OF RAILWAYS.

RAILWAY BOARD.

Mr. P. R. Rau (Financial Commissioner, Railways): Sir, I move:

"That a supplementary sum not exceeding Rs. 40,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of the 'Railway Board'."

I have very little to add to the information contained in the book of Supplementary Demands for Grants that have been placed before the Honourable Members of this House. There have been various directions in which our expectations have not been realised. In some cases we have had to spend more than we anticipated, in some less, but the main variations have been explained in the Book. I may explain that taking the voted and the non-voted items of the grants together, the excess is Rs. 25,000, of which Rs. 20,000, is only a payment from one pocket of Government to another. The odd Rs. 5,000, is due to our not being in a position exactly to estimate the number of officers going on leave during the year or the time for which they will be on leave. Sir, I move.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That a supplementary sum not exceeding Rs. 40,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of the 'Railway Board'."

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, the Honourable Member has referred us to the Demands for Supplementary Grants. On the opening page I find this:

"Railway Board, Rupees Forty Thousand. Original Grant Rs. 7,75,000."

Then it goes on:

"The main variations giving rise to excess are:

- (1) It has been decided by the Government of India that the difference between the full assessed rents of residential buildings and the actual recoveries made under the rules from railway servants occupying them should be paid from railway revenues. This amounts to Rs. 20,000.
- (2) Excess leave salary on account of more officers going on leave than expected Rs. 5,000.
- (3) Officers whose salaries are voted taking the place of officers whose salaries are non-voted 15,000."

Then it goes on:

"Taking the 'voted' and 'non-voted' portions together, the total expenditure is expected to be Rs. 25,000 in excess of budget anticipations."

Further on it is said:

"The Standing Finance Committee for Railways has agreed to this supplementary demand being placed before the Assembly, vide Proceedings of the Standing Finance Committee for Railways, Volume IX, No. 5."

Mr. B. Sitaramaraju (Ganjam cum Vizagapatam: Non-Muhammadan Rural): On a point of order. Is it necessary for the Honourable gentleman to go on reading demands for grants page after page?

Mr. S. C. Mitra: Your ruling was that I can make my explanation by reading from any relevant books.

Mr. Chairman (Sir Hari Singh Gour): As introductory to or explanatory of his speech:

Mr. S. C. Mitra: Before I comment on each of these items, I should like to refer to the proceedings of the Standing Finance Committee for Railways which has been referred to. It is Volume IX, No. 5, dated the 5th February, 1933. On page 1 of this Volume I find:

"The Committee met in Room No. 36 in the Council of State Sector of the Council House at 11 A.M. The following members were present:

- Mr. P. R. Rau, Financial Commissioner of Railways, *Chairman*,
- Mr. Muhammad Yamin Khan, C.I.E.,
- Maulvi Syed Murtuza Sahib Bahadur,
- Khan Bahadur H. M. Wilayatullah,
- Mr. G. Morgan, C.I.E.,
- Khan Bahadur Haji Wajihuddin,
- Rao Bahadur S. R. Pandit."

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muhammadan): Is it necessary to read the names?

Mr. Chairman (Sir Hari Singh Gour): Honourable Members have been supplied with copies.

Mr. S. C. Mitra: I appeal to the good sense of the House. I am only following the ruling given by the Chairman. I am only reading the names to show who were present. Then, commenting on this, I like to place

[Mr. S. C. Mitra.]

before the House that, of a Committee consisting of 11 members, there were only seven members present. Of these seven, one is the Financial Commissioner who being an official will support what he has submitted. I shall, for the benefit of the House, read a further portion:

"The Committee considered the Demands for Grants for Railway expenditure for 1933-34. They agreed to the following Demands being placed before the Assembly.

- Demand No. 1, Railway Board, Rs. 8,31,000;
- Demand No. 2, Inspection, Rs. 82,000;
- Demand No. 3, Audit, Rs. 12,30,000;
- Demand No. 4, Working Expenses: Administration, Rs. 10,30,00,000;
- Demand No. 5, Working Expenses: Repairs and Maintenance, and Operation, Rs. 38,12,50,000;
- Demand No. 6, Companies' and Indian States' Share of Surplus Profits and net earnings, Rs. 54 lakhs."

Sir, I see I made a mistake; I was reading extracts concerning the main Budget. It is on the next page.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): What a comedy of errors!

Mr. S. C. Mitra: The relevant portion is in the second page. They also agreed to supplementary grants being asked for from the Legislative Assembly for expenditure during 1932-33 under the following heads:

- "Commercial Railways, Demand No. 1, Railway Board, Rs. 40,000;
- Demand No. 2, Inspection, Rs. 1,000;
- Demand No. 3, Audit, Rs. 24,000;
- Demand No. 4, Administration, Rs. 12,50,000;
- Demand No. 9, Appropriation to Depreciation Fund, Rs. 6,00,000;
- Demand No. 14, Strategic Railways, Working Expenses and Miscellaneous, Rs. 2,69,000;"

There is not a word in this book to show what consideration these Honourable gentlemen gave to the demands before accepting the supplementary grants and, in this connection, I shall later on read from the speeches of Dr. Ziauddin Ahmad and Sir Alan Parsons to show that these grants were really taken as if they were all accepted and the farce really is made of placing those figures here, because the expenditure has already been incurred. In this connection I should like to read from the speech of my Honourable friend, Dr. Ziauddin Ahmad.

Mr. K. Ahmed: Are you not a better authority?

Mr. S. C. Mitra: On a similar occasion last year in connection with the Railway Budget for 1931-32 (page 31) Dr. Ziauddin Ahmad said:

"Sir, I understand that this expenditure for which the Demand is made was incurred some years ago. It was not incurred during the year 1930-31. Some mistakes were made so that this expenditure which was incurred about five years ago ought to have been paid from the Depreciation Fund, but it was found convenient at any time for it to be paid from the general revenues. Now, on account of financial stringency and financial losses, they want to seek an excuse to get this money from the Depreciation Fund."

Sir, the House will later on find that this year also they are getting hold of some excuse to take money from the Depreciation Fund. Then he goes on:

"I would like to suggest that instead of paying the entire amount this year we should pay Rs. 25,000 this year and the remainder Rs. 25,000 next year."

Some Honourable Members said, "it is lakhs and not thousands.":

"I beg your pardon, I stand corrected, it should be Rs. 25 lakhs. My intention is that the amount should be paid in two instalments, one-half this year and the other half next year."

Mr. K. Ahmed: What is the use of my Honourable friend's wasting the time of the House by making these misleading quotations?

Mr. Chairman (Sir Hari Singh Gour): Order, order. How are these quotations relevant to the main purpose of the Honourable Member's argument?

Mr. S. C. Mitra: It is relevant in this way that the question was raised in connection with the Railway Supplementary Grants at that time and Dr. Ziauddin Ahmad argued that since this expenditure had been already incurred, it was no use then to submit these matters before the House and thus create a farce, and that the legitimate course of action would be for the Railway Board, before they incur such expenditure, to come before the House,—because there is a huge staff of financial officers and their assistants and it is their business to put those things before the House in proper time rather than leave us to perform a *post mortem* examination afterwards. That is my submission. Sir Alan Parsons, Sir, then said:

"May I explain that no expenditure is involved here at all. We are merely correcting certain wrong adjustments in the accounts from the year 1924 onwards." (He was speaking about that particular item) "Following the advice which they gave us, we have made these adjustments in the current year's account; it is not in any way to show better results in this year's working that these adjustments have been made. I regret I am unable to accept the Honourable Member's proposal and I cannot agree that the rectification of the error should be postponed for a further debate."

Now, Sir, I should like to comment on the one page remarks of the Railway Board about the expenditure of this Rs. 40,000. They say:

"It has been decided by the Government of India that the difference between the full assessed rents of residential buildings and the actual recoveries made under the rules from railway servants occupying them should be paid from general revenues."

Sir, either the Railway Department should be considered as a Department of the Government of India, in which case this loss should be borne from the public exchequer, or it should be otherwise. This difference, so far as I can gather after going through this explanation, is merely this that, like other public servants, the highest that may be assessed by way of rent from these railway servants is a certain percentage of their pay, while the rent of these buildings is assessed on the basis of the capital expenditure, its interest, as well as the cost of the buildings, furniture, and so on. So, if all these things added together make up a sum which is greater than a certain percentage of the pay of the officer, then he is given the option to pay whichever is less. That is a condition for the public servants under the Government of India. The railway servants, on the other hand, are strictly speaking not Government servants as I argued on another occasion; and they are not entitled to the usual pensions like other Government

[Mr. S. C. Mitra.]

servants. They get certain special benefits in the shape of their provident funds, and so on. I further pointed out that they take advantage of railway passes,—and not only for their near relations, but for any number of them, sometimes for two or three servants, and even distant relations can carry a large amount of goods free of charge, so that there might be some discriminating conditions other than those which Government servants are entitled to. So my contention is this,—why this difference between the equitable rent for their buildings? A certain percentage of their pay, as in the case of other Government servants, should be allowed to the railway officers as well. I think the Honourable the Commerce Member will explain why for ordinary advantages the railway servants are to be treated like other public servants, but when the public servants claim for free railway passes and other things, they are told that it is only the railway servants who are entitled to these special privileges. My further argument is this. When did the Government decide in the case of the rent of these buildings that the difference between full assessed rent of residential buildings and the actual recoveries made under the rules from the railway servants should be paid from the railway revenue?

If the Railway Department wants to come to any final decisions on big issues like these, they should give effect to them in the beginning of the year or, in any case, they should provide for it in their budget. Instead of doing that, they go on altering their former position, thus incurring a large expenditure without this House having any chance to have its say on the grant. Really speaking, the whole debate in the House becomes a farce, if it is not already a farce. I object to the Government coming to this House with big supplementary grants which not only come to thousands, but lakhs of rupees, when the expenses have already been incurred. I shall be glad to be told how they can get rid of this expenditure even if these sums are now refused by this House, because, so far as I understand, this expenditure has already been incurred. If my presumption is correct, then I think it is all a farcical affair to bring these matters before the House for voting. So much about the first item.

Now, about the second item—excessive leave salary on account of more officers going on leave than expected. I agree that it is not possible always to foresee that there will not be slight excesses, but, in any case, before the financial year is over, it ought to be possible by reappropriation to balance the small amount like Rs. 5,000 in the Department rather than come again to this House for these small grants being in excess of the money sanctioned by the House.

The third item is—officers whose salaries are voted taking place of officers whose salaries are non-voted. This shows that there is a constant change in the classification of officers whose salaries should be voted or non-voted. There might have been some difficulty in the past to classify various posts, but, as time passes, why should there be any difficulty as regards voted and non-voted grants unless the high officials find it convenient to change some appointments from voted to non-voted categories. Here, again, my complaint is the same as with regard to the last item, namely, that, before the financial year was over, these small matters should have been set right by reappropriation.

Mr. N. M. Joshi (Nominated Non-Official): Is it your speech or are you reading from some book?

Mr. S. C. Mitra: I shall be quoting presently; now I am only commenting. Sir, my Honourable friend, Mr. Gaya Prasad Singh, refers me to a very able speech that you, Sir, delivered on the 11th of July, 1930, about the constitutional point raised about these supplementary grants. On that occasion you said (page 119 of the Assembly Debates):

"Sir, when I rise to speak on this motion, I wish to recall the words of His Excellency the Viceroy, uttered only the other day, when he said that he had summoned a Session of the Indian Legislature, because it seemed to be clearly right that Members of both Houses should have the opportunity of discussing matters of public interest on which also His Excellency wished to have the privilege of addressing them, before the Legislature was dissolved."

Mr. B. Sitaramaraju: Sir, I rise to a point of order. How is the Honourable gentleman relevant in quoting your speech on the constitutional reforms with regard to the supplementary grant?

Mr. Chairman (Sir Hari Singh Gour): Will the Honourable Member explain?

Mr. S. C. Mitra: I like to explain the issue about the supplementary grants generally. When these expenses are incurred by the various Departments of the Government and they bring these supplementary grants before the House for consideration, the discussion becomes merely academic. You, Sir, have very wisely raised this constitutional point in your speech and it is performed much more ably than I can expect myself to do. So I was quoting from your speech following the example of Mr. Amar Nath Dutt, yesterday. You, Sir, were pleased to leave it to the good sense of the House not to interrupt him. To continue the quotation:

"In a later passage His Excellency said that his Government was at the present moment engaged in considering the future constitution of India and it is for this dual purpose of assisting the Government of India in their deliberations as to the future constitution for India and for giving our representatives to the Round Table Conference an expression of our views as to what they should press for and what they should resist that this motion has I understand been moved and is being debated in this House."

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): I rise to a point of order. I am sorry, the Finance Member is not here to hear this learned disquisition of my friend, Mr. Mitra

Mr. S. C. Mitra: I was merely quoting.

Sir Cowasji Jehangir: I know it. But I would like to point out that all this is being reported and will again be printed which will mean considerable cost. You allowed it yesterday, Mr. Chairman, and I would like to point out to the Finance Member and to you by way of a point of order that the cost of again reporting speeches, that were made two years ago in this House, will be considerable. I, therefore, want your ruling—a definite ruling—whether speeches can be read out in this House by the page or only abstracts should be allowed to be read out. I want a definite ruling on the point, because so long as you are in the Chair, Mr. Chairman, this precedent will be followed not only today, but again tomorrow. I would like to point out that you, as Chairman, have the right to stop any Member from reading out page after page not only from the speeches made in this House, but from any other book of reference.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member has raised a point which is covered by a ruling given by the Honourable the President in the following words:

"During the debate on the motion to take into consideration the Indian Tariff Cotton Yarn (Amendment) Bill, a Member proceeded to make a lengthy quotation in his speech. The President intervened and ruled: 'I will inform the Honourable Member that the reading of such long quotations is not permissible'."

The point is that the President did not permit the reading of such long quotations and it is, therefore, in the discretion of the Chair to permit quotations if they are not unduly long. I would only ask Mr. Mitra not to transgress the rule which only permits reasonable quotations and not quotations much too long.

Mr. S. C. Mitra: I bow to the ruling of the Chair. As a matter of fact, I myself wanted to have a ruling, but my only submission is that I was not reading longer quotations than Mr. Amar Nath Dutt did yesterday. However, I take it as your ruling that I should not read from these books extensively. In that view of the case, I do not like to read anything more and I merely say that the Commerce Member will give us some idea as to why these things are not corrected by reappropriation, and why every time such big amounts are brought forward in the shape of supplementary demands.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): Sir, to some it may appear superfluous on my part to stand on this occasion and raise objections or offer some remarks on these grants. I want to know from the Honourable the Mover why this excess of Rs. 5,000 occurred. He has offered an explanation, but I want further explanation on that point. The explanation offered is this:

"Excess leave salary on account of more officers going on leave than expected."

Sometimes it happens that whenever there is to be retrenchment, it is found convenient for some officers to send men to be retrenched on leave before dispensing with their services. I want to know from the Financial Commissioner whether that was the case on these particular occasions and whether more officers were advised to go on leave and, therefore, this excess was incurred. There have been many such cases recently, specially in the Public Works Department and other Departments, and, therefore, this raises in my mind a doubt that this stratagem may have been used on this occasion.

Then, Sir, there is another point. Officers whose salaries are voted taking the place of officers whose salaries are non-voted accounts for Rs. 15,000. Taking the voted and non-voted portions together, the total expenditure is expected to be Rs. 25,000 in excess of budget anticipations. Officers whose salaries are voted are generally lower paid officers and officers whose salaries are non-voted are generally officers of higher salaries. If officers whose salaries are voted are asked to act in place of officers whose salaries are non-voted, then I do not see why an excess should occur. On the other hand, I think there ought to be a saving. But, in this case, it is said that the excess amounts to something like Rs. 15,000 and I should like the Financial Commissioner to explain this point. It is really a pity that the Railway Standing Finance Committee has done its work in a very great hurry. It shows their sense of faith or trust in

the Railway Administration; but all the Members of this House cannot share in that amiable disposition, and, therefore, it falls to my unfortunate lot to raise objections or questions on these two points.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I should first like to relate a small story. One of the greatest savants of Baghdad, Imam Ghazali, when made Grand Shaikh of the School of Baghdad, went to the pulpit to deliver his inaugural address, and said only one word, wept and came down; and what he said was:

"The death of great man has made me great."

This was really a noble example ever set and I thought the Leader of the Opposition would follow this noble example. But instead of following this noble example, he began to admonish the Deputy Leader of the Independent Party by remarking that in addressing Government Benches he should refrain from saying that he must do this, and he must do that. I now complete his sentences, but he should say: "Whatever you do, we are entirely at your disposal, we beg to remain, Sir, your most obedient servants, the Members of the Opposition Benches".

Now, coming to the subject matter of this grant, I thought this demand was really adding insult to injury. I say so, because they have not given any details, but referred us for fuller information to the report of the Standing Committee for Railways, No. 5, Volume IX. I took great pains to find out this particular book and I thought I would be able to get all the information. When I opened the book, I found that this meeting was held at 11 o'clock on a Sunday just at the time when Christians are required to go to Church and I found that Mr. Morgan thought that attending this meeting was more important than attending the Church on that particular day. Then, when I opened further, I found that there were two pages. On one page the Finance Committee dealt with the entire demands for 1933-34, and, in about 1/3rd of the second page, they disposed of the supplementary grants. Of course some persons thought that probably this is the way in which members of the Standing Finance Committee discharge their business; but, from my own experience of the Standing Finance Committee on the General Budget, I can say that the members are not to blame, but it is the system which is faulty. The Budget, as a whole, was never laid before the Standing Finance Committee and important items were never discussed by them. They simply in half an hour were asked to dispose of the whole Budget for 1933-34. The supplementary grants for 1932-33 give all the relevant figures which in this case were never laid before the Standing Finance Committee. These are genuine grievances, not in respect of these demands only, but in respect of all the supplementary demands which will come hereafter. It is assumed that these demands are scrutinised by the Standing Finance Committee, they have also been formally passed and sanctioned by the Legislative Assembly. This is all right on paper, but what happens actually in practice is just the opposite. The Finance Committee is not given an opportunity to discuss all questions as is evident from their report; and, as I said, it is no fault of the members, it is the fault of the system. When you come to the Assembly itself, they repeatedly demanded that the Budget should be divided into separate units so that votes may be taken at the end of one or two days on the group of demands. It is done in Provincial Councils. They consider the whole

[Dr. Ziauddin Ahmad.]

Budget as one unit with the result that we waste our time on the first demand and the important items are guillotined and we have to vote *en bloc*. That is really the way in which the whole Budget has been allowed to go through.

Therefore, I strongly object that they ought to give us reasonable opportunity to discuss the details of expenditure under the head of Establishment and the Operation which are really very important items of expenditure in the Railway Budget. But neither the Standing Finance Committee has ever been given a chance to discuss it, nor the Assembly is offered any chance. It is not our fault, but it is the fault of those who are responsible for it. That is really my grievance. I should like that, in future, our Standing Finance Committee should be permitted to go into all the details of the expenditure and that relevant papers might be supplied to them. They should be allowed to sit day after day to discuss these items.

The second thing which I wish to point out is that these demands of Railways should not be divided into single units. They should be divided into compartments and votes should be taken in groups, so that we may have an opportunity to discuss much more important items of expenditure, such as administration and operation and which we could not discuss in the Assembly on account of the bad way in which the whole thing is planned. This was the general observation which I had to make with reference to what my friend, Mr. S. C. Mitra, said.

Now, coming to the actual item here, I find that something is demanded for the excess leave salary on account of more officers going on leave than was expected. Now, this is a definite complaint which we have raised repeatedly on the floor of the House, year after year, that the Railway Board have not taken sufficient care to retrench officers. They retrench men, but not officers. They have got over this difficulty by allowing more officers to go on leave instead of retrenching them. My gallant friend, Colonel Sir Henry Gidney, drew the attention of the House to the fact that if a Member of the Railway Board is retrenched he is sent to some other post or allowed to go on leave. Now, you come to us for demanding an additional grant under the particular head. Had you carried on the policy of retrenchment in spirit and not in name, then these additional demands, which you are bringing forward, would have been unnecessary. Now, the other thing is, it is pointed out that certain items of expenditure were transferred from voted to non-voted. Now, if it is only the question of transfer, then the total expenditure ought to have remained the same.

Mr. P. B. Rau: It has remained the same. Rs. 25,000 is the total excess though the voted excess is Rs. 40,000. This is counterbalanced to a certain extent by the saving of Rs. 15,000 on non-voted.

Mr. B. W. Jadhav: Is there any saving in the voted expenditure?

Dr. Ziauddin Ahmad: I will just come to this thing. If it is only a transfer from voted to non-voted and there is a particular saving, then the total expenditure ought to have diminished, but I find that for the year 1932-33 their estimate was 7.75 lakhs and the revised estimate on

account of this wrong procedure that they have adopted is 8.15 lakhs. So there has not been any saving, but there has been actual rise in the expenditure. It rose from 7.75 to 8.15 lakhs. It is on page 2 of the Demand for 1933-34.

Mr. P. B. Rau: Will my Honourable friend read the portion relating to non-voted expenditure also? It has diminished from 4.25 to 4.10.

Dr. Ziauddin Ahmad: I am just quoting from the Demand which has been laid before us from page 2 where you have got a note saying that the total voted and non-voted was 12 lakhs budget estimate. But, now, in the revised estimate, you have put down 12.25 lakhs. So here also I find that the total sum is increased by 25 thousand rupees. That is not a very great saving. There are two points which are not very clear to me, that is, they have allowed a very large number of officers to go on leave. We may allow a fair proportion as in other Departments. The second point that I should like to draw attention to is this transfer from voted to non-voted which has not led to the diminution of the total expenditure, but it has only led to an increase of expenditure to the extent of 25,000 rupees. I should also like to mention that we have raised a very large number of questions during our Budget debate and the Government never replied to a large number of them as yet, and I hope that, on this occasion, which is perhaps the last occasion when they have come to us, they would clear up the points in connection with the replies in these Demands, for instance, comforts of third class passengers, etc.

Mr. Chairman (Sir Hari Singh Gour): Order, order. I think the Honourable Member is aware that in voting on supplementary grants the only question that can be debated is a question which strictly relates to the supplementary demand and that the general question of policy or any matter extraneous to the demand cannot be raised. I would read for the benefit of the Honourable Member a ruling given from this place on a previous occasion. This is what was then said:

"In view of a large number of cuts that have been put down on these Supplementary Grants. I have taken some trouble to examine the question and I invite the attention of the House to a summary of the position as stated in May's Parliamentary Practice, page 536, which I will read to the House:

"Debate on supplementary and excess grants is restricted to the particulars contained in the estimates on which those grants are sought and to the application of the items which compose those grants; and the debate cannot touch the policy or the expenditure sanctioned, on other heads, by the estimate on which the original grant was obtained, except so far as such policy or expenditure is brought before the Committee by the items contained in the supplementary or excess estimates."

Consequently, all that the Honourable Member can ask is for an explanation upon the three items which are mentioned in this demand. But he cannot ask the Government or any other Member to stray out of the strict purpose of the Supplementary Grant and the limitations imposed upon a debate thereon.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadian Urban): May I point out, Sir, that I do not know what that ruling was, but there is a later ruling. I would like to refer to you, Sir, from the Assembly Debates, Vol. IV, 1930. On this particular demand

8411

LEGISLATIVE ASSEMBLY,

[28TH FEB. 1933.]

[Mr. Gowsaji Jehangir.]

were sent on leave, not because they wanted leave, but in order to accommodate other officers. Now, I would like to know from the Honourable Member whether there are more officers on leave just now than is usually the case. I see there is Rs. 5,000 shown in the demand for excess leave salaries. Then, under Audit, there is another demand for Rs. 23,000 for excess leave salary. If we are to retrench, and if appointments are to be abolished, due to this policy of retrenchment, I do not think you are going to gain very much if you are forced to give officers leave when sometimes they do not even want leave, in order to accommodate others. I think that point might be taken into consideration by the Honourable Member and I would like to know whether there are more officers on leave just now than is usually the case.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, bowing to your ruling on this matter and with the great difficulty that faces me in confining myself absolutely to the three items embodied in this Rs. 40,000 demand and the merciless application of the guillotine which prevented many points from being fully discussed, I fear I shall find it difficult to confine myself to these items; but I do hope I shall be able to do so and escape a repetition of the charge of irrelevancy. I take these items in inverse order to that shown on the demand. First and foremost, what strikes me as being most extraordinary is this: we have just finished the Railway Budget in which a large number of demands were made for grants for various items; and now, within 72 hours, this House is presented with a series of Supplementary Demands for the Railways. . . .

Mr. P. R. Rau: May I point out that the Budget demands related to next year, and that these demands are for this year?

Lieut.-Colonel Sir Henry Gidney: This year, next year, sometimes, never; that is the old appeal of the amateur golf champion to his clubs, when forecasting his chances for winning the next championship. I make this observation as a seeker after economy, but it has been taken up very keenly by my friend—evidently it stung him—but I think it to be an extraordinary procedure to indulge in these frequent and separated demands for grants over twelve months. Why cannot the Railway Board make up their minds and find out what they want? It is difficult, I know; but the point that strikes me is this: it is a general point; here is a Department which sails under the label of a commercial department. When I say that, I am not satirical. I repeat it is claimed that this is a commercial department and yet the salaries of its officers are divided into two categories, one votable and the other non-votable. I should like any one to tell me any other commercial undertaking that has the expenses in connection with the head administration divided into votable and non-votable items or liabilities. The result is that in trying to effect economy and in trying to point out excessive expenditure, we cannot attack items that are invulnerable to attack and protected by treaties and contracts with the Secretary of State; we can only attack and expect economy from the poorer paid staff. It is rather a peculiar position; but apart from the administration point of view, the reason for this demand is to defray the cost of leave given to officers who must, on the face of it, be surplus

to requirements especially in these days of financial stringency and economy. Now, Sir, I believe I am right in holding,—I speak 12 Noon. subject to correction by the Honourable Member,—that there is a certain leave reserve for officers employed in the Railway Board. I also take my memory back to a meeting in 1930, which I attended as a member of the Central Advisory Committee when a request was made to the Committee asking that State Railways, including the Board, should maintain a proper leave reserve of officers no doubt to enable them to continue as they do today to book their passages to England 8 or 10 months ahead and that in order to enable these officers to get leave, a lower gazetted service was necessary and an addition made to the official cadre, which was considered under strength for an adequate leave reserve. Since then retrenchment has taken place, and we are told that every railway has effected retrenchment to its utmost possible limit. Now, Sir, on the one hand we have every railway pointing out in clear terms that they have come to their limit of retrenchment. We have also got a list of absent railway officers showing the number of appointments held in abeyance. We have other lists showing the officers on leave, all of which may rightly be summed up as postponed economy. On the other hand, we have here a definite demand by the Honourable Member including the same item in the other demands of a total of nearly Rs. 35,000 or Rs. 40,000 for the pay of officers who are on leave. How are these two facts compatible either against each other or economy? I ask the Railway Board to explain, how is it that you are still able to send an extra number of officers on leave when you say that you have reached your limit of retrenchment? And, therefore, why do you want more for the extra officers who have proceeded on leave?

Now, Sir, I will take up another point, and I hope I shall not again be told that I am irrelevant. I instanced in the general discussion a case in which a certain officer of the Railway Board was retrenched for economy purposes, he was not retired or given leave, but, was given an appointment as Agent to a Railway and was also given Rs. 500 in excess of the salary of the post. I ask, what variety of economy is this, when after retrenching a Member of the Railway Board in the interests of economy, you give him Rs. 500 extra pay? There is no economy there. It is a special favour and stands self-condemned. Remember when that Officer was employed, as Agent to the E. B. Railway, another officer had to go on leave. Is that officer's leave pay under this head or is the allowance of Rs. 500 given to the ex-Member of the Railway Board? If it is here, then. . . .

Mr. P. R. Rau: It is not here.

Lieut.-Colonel Sir Henry Gidney: Well, then where is it? Enlighten the House. If this officer's leave pay is included in this grant, I stand corrected; if it is not, I take this opportunity of ventilating this matter, and I do not ventilate it out of any personal bias or prejudice; my public life rises above such sordid motives. I ventilate it as an honest seeker after economy. Here is a demand to meet officers' leave salaries, and I ask the House to reject it unless the Honourable Member's explanation is satisfactory. You must have an excess of officers working, if you are able to send an excess on leave. Are they all in such bad health as to

[Lieut.-Colonel Sir Henry Gidney.]

require a change of climate from this country? Why should this House be asked to vote for this demand? I condemn the present so-called economy policy of the Railway Board, I say this leave to England is more or less a family arrangement. I do not think it is right, under the present circumstances of financial stringency, to allow an excess of officers to proceed on leave so frequently merely to accommodate others for whom appointments are needed, and if the Railway Board make a demand for money on such grounds, this demand should be refused by this House. It is not sound financial policy to send excess officers on leave. The Financial Commissioner, with his enormous knowledge of these matters, I know, will stand up and defend this demand, and I know that some of my arguments might be pulverised by him, but I do submit that this House is entitled to have an explanation from the Financial Commissioner as to why the Agents of the Railways give this liberal leave to their officers when we are faced with a financial stringency. Then, again, I would like to know whether he has given a distinct order to pay Rs. 500 extra per month to the officer who has been retrenched from the Railway Board and is now Agent of a State Railway on Rs. 4,000 per month. Can he explain to this House his principle of re-engaging a retrenched officer from the Railway Board and paying him an extra sum of Rs. 500.

Mr. P. R. Rau: On a point of order, Sir. May I point out that that question does not arise out of this demand.

Lieut.-Colonel Sir Henry Gidney: Is that a point of order? I say, it is a matter requiring some explanation from you and I want it.

Mr. Chairman (Sir Hari Singh Gour): It is a point of order.

Dr. Ziauddin Ahmad: May I just say that unless the names of all the officers are given for whom this demand is wanted, I think the discussion is quite in order.

Mr. Chairman (Sir Hari Singh Gour): Will the Honourable Member please explain how the debate he is carrying on now is in order in view of the objection raised by the Financial Commissioner for Railways?

Lieut.-Colonel Sir Henry Gidney: I will try and explain it, Sir, in my own amateur way as compared to the position of a professional and trained financier. There is a Supplementary Demand here to meet the pay of officers on leave. This demand, as Sir Cowasji Jehangir pointed, is spread over the year. I pointed out the other day that an officer who has been retrenched from the Railway Board had not been sent on leave or retired, but to suit his convenience and appointment another officer had to go on leave. That officer's leave pay was being paid and the *ex-Member* continued to receive his Rs. 4,000 per month.

Mr. P. R. Rau: That officer's leave salary is not debited to this demand.

Lieut.-Colonel Sir Henry Gidney: If it is not, then can the Honourable Member give us the details of this demand? With all respect to him, I say that the Honourable Member cannot stand up and say this refers to Jones, Smith or Dickie,—he cannot say that

Mr. P. R. Rau: This refers to the Railway Board, and the Officer to whom, I believe, my Honourable friend refers is on the Eastern Bengal Railway, whose pay or leave salary is not debited to this demand.

Lieut.-Colonel Sir Henry Gidney: With all respect to the Honourable Member, I submit, and subject to your ruling, that this demand for leave salary covers all officers who are on leave

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member has been assured that this demand only deals with the Railway Board, and it is so written and printed at page 1. That is the heading. The Honourable Member must take note of that fact, and he cannot possibly enlarge the scope of this debate by referring to all officers whether connected with the Railway Board or otherwise

Lieut.-Colonel Sir Henry Gidney: I am referring to a Member of the Railway Board or an *ex-Member* of the Railway Board

Mr. Chairman (Sir Hari Singh Gour): Order, order. We are not dealing here with an *ex-Member* of the Railway Board.

Lieut.-Colonel Sir Henry Gidney: Very well, Sir. There is then the next item, and that relates to the rent charged for residential buildings to staff. I should like to have a clear definition from the Railway Member as to what they have been doing with this vexed matter. I understand that certain railway servants, who still enjoy Company privileges and rights, as regards free house rent, are now being compelled to pay house rent by a recent ruling by the Railway Board—why this departure from an honoured contract and agreement?

Mr. P. R. Rau: I still rise to a point of order, Sir. This has no reference to the demand under discussion.

Lieut.-Colonel Sir Henry Gidney: The Honourable Member in charge is so nervous about this, that I am sorry, I feel I should not worry him any more about it.

Mr. P. R. Rau: Mr. Chairman, there have been various questions in the debate on this motion, and I shall proceed to give very briefly the explanations required by the various Honourable Members. In the first place, my Honourable friend, Mr. Mitra, was apparently under the misapprehension that there has been a change in the present practice and that we were asking the House to agree to giving more concessions to the staff of the Railway Board in the matter of residential accommodation. That is not so. The staff of the Railway Board are Government servants, and under statutory rules they are entitled to have their rents calculated in a certain way. The only question here is whether the difference between the assessed rents and the rents they are charged under statutory rules should be borne by Railway Revenues or not. It was decided by the Government of India, I think some time in February, 1932, that commercial

[Mr. P. R. Rau.]

departments should pay the difference and, as I have already pointed out when I was moving this motion, it is only a question of a transfer from one pocket of Government to another. My Honourable friend suggested that this should have been brought into effect in the original Budget. May I explain with reference to that that the decision was arrived at, to the best of my recollection, sometime in February, 1932, after the Budget had been prepared. The decision was given effect to in the following year, 1932-33, according to the ordinary practice. My Honourable friend as a member of the Public Accounts Committee knows that any decision taken during the course of the year has usually effect from the next financial year.

The second point that my Honourable friend raised was about the possibility of reappropriation. If he will look at the Demands for Grants, he will find that there are various other directions in which also there have been excesses and savings. The Demand that we have now put before the House is after all possible reappropriations have been made.

I now turn to my Honourable friend, Mr. Jadhav. His point was that voted officers draw generally less salary and consequently the substitution of voted officers for non-voted officers should have reduced the expenditure. Here may I point out that the salaries of posts on the Railway Board are fixed and a voted officer gets just the same salary as a non-voted officer. Consequently, the only effect of a voted officer taking the place of a non-voted officer is that the expenditure is shown as voted and not as non-voted and the additional expenditure of Rs. 15,000 under the voted head is covered by a decrease in the non-voted head.

Mr. B. V. Jadhav: There is a total increase.

Mr. P. R. Rau: The total increase is due to other factors. So far as filling of posts by officers whose salaries are voted instead of officers whose salaries are non-voted is concerned, there is no increase.

Sir Cowasji Jehangir: May I ask whether these non-voted officers have gone on leave or have they been transferred to another department or have they gone to other posts?

Mr. P. R. Rau: As my Honourable friend is no doubt aware, there is no separate cadre for the Railway Board. When posts are vacant we recruit them from different Railways, and it is just a matter of chance whether the officer selected to fill a particular post happens to be an officer whose salary is non-voted under the Government of India Act or is voted. It has no reference to officers going on leave.

Lieut.-Colonel Sir Henry Gidney: May I ask a question to the Honourable Member? Are these officers, who are employed in the place of voted officers on leave, recruited from subordinates who are drawing one-third and half of the salary of the officers on leave?

Mr. P. R. Rau: I can tell my Honourable friend that I am not aware of any pay of a subordinate being non-voted. My Honourable friend, Sir Cowasji Jehangir, wanted information whether officers who are on leave have been sent on leave to accommodate other officers. I am not aware of any such case, but I think he will agree with me that it is not an

easy matter in preparing a Budget for the following year, which is done about 15 months before the close of that year, to estimate accurately how many officers will be on leave during the year and what periods they will require.

Sir Cowasji Jehangir: Is that not done on averages? Therefore, your Budget has gone wrong when you ask for an increase only on this head of leave salaries.

Mr. P. R. Rau: It may be based on averages, but it does not follow that the actuals will be exactly equal to the average. I just want to refer my friend to one or two figures here. In 1930-31, our expenditure on leave salaries on officers was Rs. 92,000. In 1931-32, it was Rs. 1,08,000. In 1932-33, it is expected to be Rs. 80,000, and in the following year, Rs. 70,000. It may be that it will prove too low or it may be too high, but it is just an estimate, and it is impossible to arrange the grant of leave to officers merely on the estimate of leave salaries put in the Budget.

Sir Cowasji Jehangir: My question is, are there more officers on leave than usual?

Mr. P. R. Rau: I do not think there are, and it is for that reason that I gave my Honourable friend the figures of leave salaries paid in the past. He will find that in the years 1930-31 and 1931-32 the leave salary was more than in the current year, and from that I infer that the number of officers on leave is not more than in the past.

Dr. Ziauddin Ahmad: May I just mention a point? This is a subject upon which we have been complaining year after year. Whenever a person is put temporarily on a higher grade with a higher salary, and when the permanent incumbent comes back, instead of going back to his original post, he takes leave on this higher salary and thus the leave salary increases.

Mr. P. R. Rau: That is the effect, though an unintended effect, of the statutory rules. We have taken steps in our new Railway Leave Rules to avoid inducements to officers to go on leave when they revert from a higher post.

Mr. B. V. Jadhav: The point I made has not been properly understood. My point is that, if an officer from the voted list is asked to work for an officer who is on the non-voted list, there is no reason why all such posts, in the voted and non-voted lists, when taken together, there should be an excess. What I cannot understand is this demand for Rs. 15,000. If officers from the voted list of the cadre are made to work for the non-voted cadre and *vice versa*, then there is no reason why, when both these lists are put together, there should be an excess.

Mr. P. R. Rau: I perfectly understood my Honourable friend's point, and I was explaining that the assumption on which it is based is incorrect. I would ask him to entirely forget part (3) of the explanation and read it together with the next clause which says 'Taking the voted and non-voted portions together the total expenditure is expected to be Rs. 25,000'. This excess is covered by the first two explanations in that page.

[Mr. P. R. Rau.]

I now turn to my Honourable and gallant friend, Sir Henry Gidney. His main complaint was that we showed our expenditure partly as votable and partly as non-votable and that, as a commercial department, we had no right to do so. That, Sir, I am afraid, I am not in a position to remedy. The salaries of certain officers are non-voted under the Government of India Act and, so long as that Act subsists, I must show them as non-voted under this Demand. He also suggested that the Railway Board should make up their minds and say how much they want once for all. This is a question of estimating. Does the House really require that we should keep, as a reserve, a margin for all possible contingencies and ask for a much larger sum than we really require, or that we should try to cut down our demands to a minimum, and, at the close of the year, if we find that it is absolutely impossible for us to work within that minimum, come up to the House frankly and say, "We have tried to keep ourselves within the limits. We find it is not possible", and ask for a Supplementary Demand. From the estimating and from a financial point of view, I think that the correct procedure is to keep your original Demand as low as possible and not to keep margins for emergencies. Finally, Sir, my Honourable and gallant friend suggested that leave should be refused as much as possible. I do not know whether he was referring only to the officers of the Railway Board, or whether he was making this suggestion in his representative capacity on behalf of many of the Railway Unions of which he is the President. (Hear, hear.)

Lieut.-Colonel Sir Henry Gidney: Partly in my position as President of many Unions, but chiefly, Sir, in my capacity as an honest seeker of economy.

Mr. P. R. Rau: My Honourable friend has, like some of the Hindu gods, various faces. (Laughter.) It is true that the statutory rules provide that leave may be granted or refused or revoked at any time if the exigencies of the public service demand it, but hitherto it has never been held that the 'exigencies of the public service' include financial stringency. I do not think, Sir, that there are any more points on which I need detain this House. The only question I would like to refer to in conclusion is Dr. Ziauddin Ahmad's accusation against the Standing Finance Committee. Now I had half expected that some members of the Standing Finance Committee themselves would rise and explain what is the exact nature of the work that they did in connection with this Budget, and whether it is a fact or not that all the papers that they wanted were placed before them; but the whole point is that it is not fair to base any criticisms of the work that they have done on the fact that their decisions are recorded in one page of that small volume.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, I should have very much liked my Honourable friend to deal with a point that arose incidentally out of this debate, and that relates to the paucity of information given in the proceedings of the Standing Finance Committee for Railways. I hold in my hand the proceedings to which reference was made by some of my Honourable friends. Sir, lakhs and lakhs of rupees have been recommended by the Standing Finance Committee (Voices: "Crores and Crores"),—yes, crores and crores, before this House,

for the purpose of embodiment in the supplementary estimates, and the space that they have devoted to the recommendations is just a little over one page. I notice that this particular meeting of the Committee took place in the Council of State Sector of the Council House; I do not know whether that has anything to do with the brevity of the proceedings. (Laughter.) In any case, Sir, I remember to have been associated with the earliest days of this institution, the Standing Finance Committee for Railways, and it is something which I never came across in my experience as long as I served on that body. It is, no doubt, a fact that for some time Government have been seeking to pack these Committees, notably the Standing Finance Committee for Railways (Hear, hear); for instance, if an Honourable Member votes with Government on a measure like the Ordinance Bill, he is at once promised a place on the Standing Finance Committee by the Government Whips. (Hear, hear.) (An Honourable Member: "Some are promised other rewards too!") I do not mind if the noble services of Honourable Members are rewarded through the agency of the Honours List, but I, as a Member who had something to do with the creation of this particular body, would protest very strongly against the reduction of this procedure, which has been laid down by this House for the purpose of regulating Railway finances, to an absolute farce. Sir, I should not be understood to make any kind of personal reflection on any Honourable Member whose name appears on this particular list, but if the Honourable the Financial Commissioner could make a confession in this House, he would be able to tell us as to how useful he has found this body to be (Laughter), and how seldom has this body ever raised any objection to any proposal for expenditure. But, Sir, I do maintain that this House is entitled to a little more consideration than the Railway Department are prepared to allow it, and I do not see any earthly good of the proceedings being maintained in this fashion; because, disappointing and brief as that information is, we find much more information in the Demands for Grants themselves. But if the Honourable Member were to follow the past practice with reference to this Standing Finance Committee for Railways and also the practice in vogue with regard to the General Standing Finance Committee, this House would have a little more detail, which might be of help to this House in coming to a correct determination of the issues involved.

Mr. G. Morgan (Bengal: European): Sir, as a member of the Standing Finance Committee (Hear, hear), I am glad to hear that there are no accusations against the members, but the point raised by my Honourable friend, Mr. Neogy, is a very important one, and I think the Financial Commissioner will bear me out when I say that I have already taken up the matter with him. (Hear, hear.) (Mr. K. C. Neogy: "Very glad to hear that.") I am not at all satisfied by the method of the publication of the Standing Finance Committee's proceedings. When one says anything, one rather likes to see it in print (Laughter), and the mere statement that "the Committee agreed" or "the Committee approved" has never found any favour with me. As a matter of fact, if I may refer, Sir, to the General Standing Finance Committee. During the last two years I have raised that point, and I may say that we are now fairly satisfied with the printed proceedings of the General Standing Finance Committee. My Honourable friend, Mr. Gaya Prasad Singh, will bear me out in that (Mr. Gaya Prasad Singh: "Yes"), and, on this point, I agree that more details should certainly have been given.

[Mr. G. Morgan.]

It would have been better had these details been given in the Railway Standing Finance Committee's proceedings. The members of that Committee have of course certain details put before them. I do not say that in every case details, such as the names of officers gone on leave, have been given, but we are satisfied that the Financial Commissioner in his capacity as Chairman of that Committee does give us full information,—and I think Honourable Members may rest assured that I will not sit still and simply say, "*Achha, achha,*" and "*Wah, Wah*". (Hear, hear.) I wish to know always what I am doing, and I never vote for anything that I am not thoroughly satisfied should be voted for or voted against. (Hear, hear.) Therefore, while voting for this grant, I support the point put forward that the Financial Commissioner should do his best as soon as possible to get some more regular procedure adopted for giving details of the discussions held at meetings of the Standing Finance Committee.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I must protest against the insinuations contained in the speech of my Honourable friend, Mr. Neogy, about the Railway Standing Finance Committee, and I do not like that they should go unchallenged. I may agree with him or not, and he may agree with us or not, that is our respective business, but we should not make insinuations. (At this stage Mr. B. Das made some interruptions.) Mr. B. Das may go on disturbing me in that way, but if he goes on like this, he will see that he will be disturbed every moment that he gets up to speak, if he does not keep quiet when an Honourable Member wants to talk serious things. What the Honourable Member has before him is not the proceedings of the Standing Finance Committee. It is the Supplementary Demands for Grants. In other words it is an extract from the proceedings. (Mr. K. C. Neogy: "Nothing of the kind. You do not know what you did.") The thing that he has quoted from is not the full proceedings of the Standing Finance Committee. If my Honourable friend had complained that the proceedings should give more details, nobody would have had any objection to it. But that was not the point he made out. He attacked the members of the Committee and said that they did not know what they were doing. Let me tell my Honourable friend that the members had their eyes open. My Honourable friend ought to know that there were certain members from his own Party who sat there not on the votes of the Government but on his vote and on the vote of his Party members. If he cannot rely upon them, then he should ask them to vacate, and he should come to the Committee himself. Nobody will have any grievance on that score. There was no question of a majority or a minority, because this decision was arrived at unanimously. (Mr. S. C. Mitra: "Why was it done on a Sunday? If you hold a meeting on a Sunday, you cannot expect others to attend.") The Honourable Member will find that Sunday was agreed to on the request of the members themselves. Members, in the first instance, requested that the meeting should not be held on Friday. Afterwards it was changed to Saturday. Even then they did not agree to it. As I explained in my speech on the Budget, the Financial Commissioner was even willing to accommodate the members by convening the meeting on a Sunday. It was really the request of the members that we must sit on a Sunday, because some members were sitting on some Committees

on Friday and others were sitting on some other Committees on Saturday. Some members wanted that they should not spoil their holiday and, therefore, they wanted Sunday. (Mr. K. C. Neogy: "How long did you sit?") If the Honourable Member is not satisfied with the representatives that his Party has sent, it is their own fault, and they should see that next time such members are not sent. If the Honourable Member himself enjoys the confidence of his Party, then he will find a place on the Standing Finance Committee, otherwise not. Sir, that is the only point that I wish to make out at present. So far as the items are concerned, I have no more to say as they have already been explained by my Honourable friend, the Financial Commissioner. He placed before the Committee all the papers that we required. No item was sanctioned unless it had been thoroughly gone into, and the Committee was fully satisfied that it was necessary to allow it to come before the Assembly. It is now for the House to accept them or to reject them.

Mr. K. C. Neogy: Will the Honourable Member kindly tell us how many minutes he devoted to this item before he was satisfied about its soundness, and how many crores of rupees have been recommended as a result of his stupendous labours?

Dr. Ziauddin Ahmad: The objection is to the system and not to individuals.

Mr. Gaya Prasad Singh: Sir, I associate myself fully with my friend, Mr. Morgan, when he said that his suggestions were useful in the proceedings of the Standing Finance Committee. I have been a very old member of the General Standing Finance Committee—since 1924—and I know very well how scrappy and incomplete the proceedings were before, and how some of my friends and myself tried to give more details, and how the proceedings are coming out more satisfactorily than they were before. I have just listened with amused interest to the speech of a habitual supporter of Government, I mean my Honourable friend, Mr. Muhammad Yamin Khan. He has referred to the blue book of the Demands for Grants, and he said that that was not the proceedings of the Standing Finance Committee. I am much surprised to find that my friend has not even seen the proceedings of a Committee of which he was himself a member. I hold the proceedings of the Standing Finance Committee for Railways, dated the 5th February, 1933, Vol. IX, No. 5. Now, Sir, the whole volume consists of only one sheet containing two pages. Nearly half of the first page is full of the names of the members of the Committee. (Mr. K. C. Neogy: "That is the Honours list.") About one-third of the second page contains only the names of the Demands and the amounts of money which have been sanctioned. These consist of several crores of rupees which they have sanctioned within the course of a few minutes. The question was repeatedly asked of my Honourable friend how many minutes they had been sitting to dispose of such huge sums running into many crores of rupees. But my friend, Mr. Yamin Khan, was discreetly silent on the point. He has referred to the members of my Party, and said that if the members of my Party, who were on this Committee, were not representative enough, they should not find a place on it when the next election comes. I will only say this that at this meeting of the Committee there was no member of the Nationalist Party present. This meeting was held at New Delhi on Sunday, the 5th

[Mr. Gaya Prasad Singh.]

February, 1933, at 11 A.M. in the Council of State Sector of the Council House. Those who were present were: Mr. P. R. Rau, Financial Commissioner of Railways as *ex-officio* Chairman of the Committee; Mr. Muhammad Yamin Khan, C.I.E.; Maulvi Sayed Murtuza Sahib Bahadur, a staunch nationalist, a gentleman for whom personally I have got very high respect and every elected Member of the House does the same. I am really surprised why he did not think it proper to record any note or to insist on more detailed proceedings being recorded. I honestly say that the Maulvi Sahib commands the confidence of a large number of elected Members in this House. (Applause.) Another gentleman was Khan Bahadur Hafiz Wilayatullah. He is not in his seat today; Mr. Morgan, C.I.E.; Khan Bahadur Haji Wajihuddin; and Rai Bahadur S. R. Pandit. These were the gentlemen who attended this precious Committee, and voted away other people's money amounting to crores of rupees, without recording any facts in this volume which consists of only one sheet of paper. With regard to the main item, I should like Mr. Rau to give more information on this point. With regard to item 2 on the first page—excess leave salary on account of more officers going on leave than expected, Rs. 5,000,—I should like my Honourable friend to give us a list of the names of the officers and the period of the leave which was given to them and why. With regard to item (3) also, I should like to know the officers whose salaries are voted, and who took the place of officers whose salaries are non-voted. I should like to know how and in what way they took these places, resulting in an excess expenditure of Rs. 15,000. I know very well, Sir, that constituted as it is, this House does not deserve more consideration than Government choose to bestow upon it. When we do not assert our own self-respect and dignity, I feel Government are quite justified in treating it with the scant courtesy with which they are treating us. Some of us care more for being always ready to support Government on every occasion, but I am not going either to name them or to impute motives to them. But judging from the way in which we are acting, if Government bring forward a Resolution that the Members of the Legislative Assembly should be hanged from the topmost bough of the nearest tree, still you will find, I dare say, a majority of Members voting with Government.

Mr. B. Sitaramaraju: Sir, is the Honourable gentleman in order in making such reflections on Members of the Assembly?

Mr. Gaya Prasad Singh: I am making no reflection; I am myself saying that, if a motion for our suicide were to be made by Government, we would support them in order to get at least a posthumous reward. (Laughter.) Sir, I am unwilling to allow this Demand to pass unchallenged, and I would ask the Honourable Member in charge to kindly enlighten the House on these points before the House is asked to give its support to this motion.

The Honourable Sir Joseph Bhoré: Sir, I am not very sure whether this discussion which has just taken place is entirely relevant to the particular demand which we are now considering. But as it has undoubtedly created a good deal of interest I should certainly like to reply to the points that have been raised.

In the first place, Sir, I must question the propriety of the suggestions that have been made by certain Honourable Members here that a Committee appointed by this House has not done its duty.

Some Honourable Members: Why not?

Mr. K. C. Neogy: It is perfectly open to this House to criticise its own Committee. The Honourable Member is not new to this House and should know the practice of this House.

The Honourable Sir Joseph Bhoré: I suggest, Sir, that this is a Committee appointed by the House itself and my point is that without good and sufficient reasons such aspersions ought not to be cast upon individuals who are individuals chosen by the free vote of this House.

Then, Sir, the suggestion was that this was a packed Committee. Well, Sir, as Honourable Members know, it is a Committee elected by the free vote of this House.

Mr. K. C. Neogy: Sir, I am sorry to interrupt the Honourable Member, but is the Honourable Member in a position to give a categorical denial to what I said that it is the practice of Government to issue whips in regard to the election of these Committees and that certain selected non-official Members are included in their whips if they vote with Government in crucial matters? The Honourable Member can make that inquiry and tell the House whether it is a fact or not.

The Honourable Sir Joseph Bhoré: Government have a perfect right to use their vote in securing the election of certain Members of this House, and it is common knowledge that they do use that vote. It is a right which they have and it is a right which they propose to exercise, but that does not mean that parties on the other side of the House cannot return individuals in whom they have the fullest confidence.

Mr. K. C. Neogy: We never said that; we referred to your practices.

The Honourable Sir Joseph Bhoré: Then, Sir, I would refer to the suggestions that have been made,—they were not categorical,—but I think the suggestion was insinuated that because a meeting was held on a Sunday it was an unrepresentative gathering. Well, Sir, Honourable Members must surely realise that during the Session when almost every working hour of the day is taken up, it is almost impossible on occasions not to have to utilise Sundays for purposes of public business. I do feel that those Members who have not attended might have the fullest justification for not attending because of private reasons, but if they had no such reasons then I can only say that it was a dereliction of duty on their part and that no blame can attach to the Financial Commissioner for having made use of what was, I understand, the only possible occasion when he could have had a long period of time to discuss the proposals that he wished the Committee to consider.

Then, Sir, I would refer to what my Honourable friend, Mr. Morgan, said. He said that he had made the suggestion beforehand that Honourable Members did like to see what they said in print. I should have considered that that is dangerous sometimes. However, I understand that the practice which has been continued this year is the practice which has

[Sir Joseph Bhore.]

been always in force in regard to the Railway Finance Committee. But if it is the general wish of this House that the proceedings of that Committee should be reported in greater detail, I am quite prepared to suggest to the Financial Commissioner that such procedure should be followed in the future.

Sir, I have no further points to make and I cannot, I am afraid, oblige my Honourable friend, Mr. Gaya Prasad Singh, with the specific information he wants, because I have not any means of doing it now. I do not think, Sir, any other point has been raised to which I need reply.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a supplementary sum not exceeding Rs. 40,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of the 'Railway Board'."

The motion was adopted.

INSPECTION.

Mr. P. R. Rau: Sir, I move:

"That a supplementary sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Inspection'."

Sir, I have very few words to say in support of this motion. The total excess under this grant, taking the voted and non-voted together, is very much larger than Rs. 1,000. Here again the fact is that our estimate of leave salaries proved to be wrong.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That a supplementary sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Inspection'."

Mr. N. M. Joshi: Sir, I assure you at the very outset that I do not wish to raise any general debate. At the same time, Mr. Chairman, I have made it a matter of principle that I should not give a single farthing for 'Inspection' to the Government of India, so long as the Government of India does not place this Department on a proper footing. Sir, this department has been established in order that an inspectorate should be provided to safeguard the lives and properties of the passengers on Indian Railways.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is again raising the question of principle. He has to strictly confine himself to observations arising out of the specific sum of Rs. 1,000 for the Supplementary Grant.

Mr. N. M. Joshi: It is not a question of general policy.

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member must take my ruling.

Mr. N. M. Joshi: Mr. Chairman, I do not question your ruling at all. I do not propose to take the time in general discussion. I am only stating in a very few words what my objection to the grant is. My objection is that this Department should be independent of the Railway Board. Unfortunately the Department is placed under the Railway Board. An Inspector is placed under the administrative control of the Railway Board, but he has to report on the action of the Railway Board itself. That is an anomalous position and on that account I cannot give a farthing to this Department.

Mr. S. C. Mitra: Sir, I should like to place the whole of the evidence that is before the House taken by the Standing Finance Committee for Railways. I find under the head 'Inspection' a demand for Rs. 1,000. The excess grant is due to larger payments of gratuities than were anticipated. In Vol. IX—No. 6, you will find—I am reading from the proceedings of the meeting of the Standing Finance Committee for Railways, held on the 14th February, 1933:

"The Committee met in Room No. 36 of the Council of State Sector of the Council House at 5-10 P.M. The following members were present:

Mr. P. R. Rau, Financial Commissioner of Railways, *Chairman*.

Mr. G. Morgan, C.I.E.

Maulvi Syed Murtuza Sahib Bahadur.

Khan Bahadur Haji Wajihuddin.

Mr. Muhammad Yamin Khan, C.I.E.

The Committee approved of the following Demand being placed before the Assembly for expenditure in 1933-34."

Then under Demand No. 2—"Inspection", they say in brackets:

"In substitution of the amount of Rs. 11,000 approved at their previous meeting."

The House will judge for itself. No explanation is necessary here. It may merely be said that in a previous meeting they after mature deliberation with the help of my Honourable friend, Mr. Yamin Khan, came to the decision that there should be an approval of Rs. 11,000. It is not known why they have changed Rs. 11,000 to Rs. 1,000. As to the explanation, it was asked repeatedly by several friends what time the previous meeting took in deciding the whole of the current budget and the supplementary budget. No answer was forthcoming. I do not know what time they took after a whole day's work at 5-10 P.M. They do not give any reason whatsoever. I therefore say that these papers are a mere farce. Most of the space is taken by putting the names of their members, with their titles before their names and after (Laughter), but nothing about the actual demand. It is merely "approved". Why is it altered from the previous demand sanctioned, we know nothing about.

Another point that I should like to refer in this connection is that these Supplementary Demands should not be placed at the *tag-end* of the Session. My friend, Mr. B. Das, pleaded that otherwise it will be an excess grant. Sir, what is the purpose of placing these demands before this House now. The constitutional meaning, if there is any, is this, that the House may have some control over the expenditure and the House, through the Railway Board, may check this expenditure. Then what is the meaning of bringing forward these Supplementary Grants after the

[Mr. S. C. Mitra.]

expenses have been incurred and when the financial year is nearly at an end. This is really asking this House to vote for approving an excess grant. Had it been brought a few months before, we could certainly have appreciated it; though it is not possible to make accurate estimates, and as the year advances, there may be necessity for changing the estimates. The demand for a Supplementary Grant is a very legitimate one but to come with a Supplementary Demand when the whole year is over is a farce, because I think it deprives the House of any further power to control the expenditure of the Railway Department. That is the reason why I differed from Mr. Das, in that although it is a Supplementary Grant, it is really a vote to approve of an excess grant.

As regards the Railway Finance Committee, I can only say that for the constitution of the Public Accounts Committee there is a healthy rule that only the Non-Official Members should vote in selecting the Members for the Committee, while for this Committee, I think, nobody can dispute that Government votes always overwhelm the popular votes. If, Sir, you go through the list you will be convinced, how many get in through Government votes, although the strength of the non-officials is more than 70, and the reasons for this state of affairs have been explained by my friend, Mr. Neogy.

Dr. Ziauddin Ahmad: Sir, I would like to draw the attention of the House to one point that the list of demands was printed on the 11th February, 1933. This meeting was held on the 14th February and the papers were printed on the 15th February. So practically the demands which they wanted to ask were already in print four days before the Committee actually sat. Therefore they reduced the Standing Finance Committee for Railways practically to the level of what I may call the Public Accounts Committee, and instead of taking the sanction in advance they only underwent formalities and obtained the sanction for the money which has already been spent, and therefore, I say there has been the change of functions between Standing Finance Committee and the Public Accounts Committee

Mr. G. Morgan: Is my Honourable friend insinuating that this printed book was placed before the Standing Finance Committee and that they had nothing to do but to sign the papers placed before them by the Financial Commissioner? If so, I repudiate it.

Dr. Ziauddin Ahmad: May I just know what is it that the Honourable Member is repudiating?

Mr. G. Morgan: I think I was speaking perfectly distinctly. If my Honourable friend had listened he would probably have heard what I said.

Dr. Ziauddin Ahmad: I did not follow what he said, I am sorry.

Mr. G. Morgan: I may have mistaken the Honourable Member, but it seemed to me from his remarks that he meant we practically were faced with a printed statement from the Financial Commissioner and all we had to do was to say "yes". That was not the case. Every point was discussed.

Dr. Ziauddin Ahmad: I am sorry, my Honourable friend has entirely misunderstood me. I had nothing to say against the Committee. What I attacked—and what I do attack even now—is the method by which the Financial Commissioner and the Railway Board are conducting the affairs of the Standing Finance Committee. That is really my object. If any additional expenditure has to be incurred they ought to bring it before the Standing Finance Committee for their sanction before the expenditure is incurred so that the function of the Standing Finance Committee may not practically be changed into that of the Public Accounts Committee.

Mr. K. C. Neogy: Sir, I am sorry to question the accuracy of any statement made by the Honourable Member-in-Charge, particularly when such statement is based on information given by my friend, Mr. P. R. Rau. He stated that in not giving the details of the discussions of the Standing Finance Committee in its published proceedings, the Committee was merely following the procedure that was all along its rule, but I have in my hand a few volumes, which I took up at random, of the various proceedings. I find that in most instances the detailed memoranda prepared by the Railway Department which were placed before the Committee did form part of the proceedings themselves, and if the proceedings themselves were somewhat brief they referred to these memoranda when they said that any demand put forward by the Railway Department had been approved.

Even in the case of supplementary estimates I find that there are certainly more details given in the previous proceedings than has been the case in this instance.

Mr. P. R. Rau: Sir, my Honourable friend who has just spoken is usually so accurate in his quotations and facts that there is no necessity ordinarily for Members on this side to ask him to verify them. But I am afraid he has been misled this time by the fact that he looked only at volumes 5 and 6 of the proceedings. If he had done the Standing Finance Committee the honour of looking at the earlier proceedings he would have found that memoranda of the nature—I do not know whether he complained of them or whether he appreciated them—that appeared in the past were placed before the Committee in the previous four meetings of the Committee and I am quite prepared to make a present of these four volumes to him now in case he wants to study them. I understand that the proceedings of these meetings have not been circulated to the House; if so it is a mistake, and I shall be very glad to have them circulated at once just as proceedings of the General Standing Finance Committee are circulated

Mr. K. C. Neogy: May I request my Honourable friend to give me a definite reference to the memorandum bearing on this particular demand which we are now discussing?

Mr. P. R. Rau: I believe that formerly also there was no separate memorandum on each demand placed before the Standing Finance Committee. The draft book of demands was the memorandum placed before the Standing Finance Committee which they criticised and altered if they so desired. The only other point that I should like to mention is the point taken by my Honourable friend, Mr. Mitra, about the change of Rs. 11,000 into Rs. 1,000. Here I think I must plead guilty to not having explained

[Mr. P. R. Rau.]

in my opening speech the necessity for this change. But I had explained it fully to the Standing Finance Committee for Railways. The position was this: that after they had agreed to the original supplementary demand of Rs. 11,000, it came to our notice from estimates sent to us by the various Government Inspectors that while the total of expenditure remained the same, the distribution of that expenditure between non-voted and voted was altered and consequently the voted portion of the expenditure was Rs. 10,000 lower and the non-voted portion Rs. 10,000 higher. I thought that seeing that we wanted only Rs. 71,000 for the voted portion of the expenditure it would not be proper on our part to come to the House and ask for Rs. 81,000 merely because our original calculation was that Rs. 81,000 was required and the Standing Finance Committee had approved of it.

Mr. B. V. Jadhav: Sir, I was wondering why Nos. 5 and 6 only were put in our hands and what Nos. 1, 2, 3 and 4 contained; but now the Honourable the Financial Commissioner promises to lend us those four volumes. I shall propose that this House should get time to go over those proceedings and therefore the further proceedings in regard to these Supplementary Demands should be postponed to some other future date in order to give us facilities to study those documents.

The Honourable Sir Joseph Bhore: I have only to say, Sir, that the Government cannot consent to this indefinite postponement.

Mr. Chairman (Sir Hari Singh Gour): Motion moved that a supplementary sum not exceeding

Dr. Ziauddin Ahmad: On a point of order, Sir. The motion moved is that the consideration should be postponed till all these papers have been supplied.

Mr. Chairman (Sir Hari Singh Gour): I take it it was not a motion, but a mere suggestion. Did the Honourable Member merely make a suggestion or did he move a motion for adjournment?

Mr. B. V. Jadhav: I made an adjournment motion.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That the debate be adjourned."

The motion was negatived.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a supplementary sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Inspection'."

The motion was adopted.

AUDIT.

Mr. P. R. Rau: Sir, I move:

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Audit'."

Sir, in making this motion I might briefly explain that a part of the expenditure is due to certain unexpected payments of gratuity and another part to excess leave salaries on account of more officers going on leave. The position under this grant is more complicated than under other grants, because quite a good many of the staff here are interchangeable with the ordinary civil audit which comes under the general Demand No. 23 and Demand No. 3, Railways. Consequently, it is more difficult than usual to frame any accurate estimate of leave salaries.

Mr. B. V. Jadhav: Sir, on a point of information. The amount mentioned here is Rs. 23,000 *plus* Rs. 10,000, while the demand made is for Rs. 24,000

Mr. P. R. Rau: May I ask my Honourable friend to read the explanation given in the second part of that Note which is that the above excess is counterbalanced to a certain extent by larger sums recovered than anticipated from the emergency deductions from pay.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Audit'."

Lieut.-Colonel Sir Henry Gidney: Sir, while sympathising with the Honourable Member in the difficulty which he has expressed, I fail to see why the Railway Department, which is supplied with such an elaborate system of Audit and Accounts, should not be in a position to make more accurate forecasts. That, Sir, is by way of opinion.

What I desire to seek information on is this. The amount in this Demand comes under two heads,—excess of leave salaries and excess of gratuities. An explanation is given in the foot-note which, on reading, I find, is tantamount to robbing Peter to pay Paul. I should like the Honourable Member to inform this House as regards this enormous sum of Rs. 23,000 for leave salaries,—what is the strength of the Audit Officers, and what is the strength of the subordinate Audit Officers? What is the leave reserve of the Audit Officers, and what is the leave reserve of the subordinate officers? How many Audit Officers are on leave today in India and how many in Europe, and how many subordinates are on leave? Moreover, what proportion of this sum of Rs. 23,000 refers to officers on leave and what proportion refers to subordinates on leave? If the Honourable Member will give us some information about these matters as to how he arrives at this enormous excess demand, I shall be satisfied.

Mr. S. C. Mitra: I find, Sir, in the supplementary demand on the right hand side that the excess is due to the following: (1) to ensure more officers and subordinates going on leave than expected, and (2) to certain unexpected payments of gratuities. The above excess is counterbalanced to a certain extent by larger sums recovered than anticipated from the emergency deductions from pay. The Standing Finance Committee for Railways has agreed to this Supplementary Grant being placed

[Mr. S. C. Mitra.]

before the Assembly. *vide* proceedings of the Standing Finance Committee for Railways, Vol. IX, No. 5, and it is said here in this Volume that it has been approved....

Mr. Gaya Prasad Singh: That Volume consists of only one sheet.

Mr. S. C. Mitra: Yes, it has been shown several times to the House that this Volume means only one page.

Now, as regards the contention of the Financial Commissioner that this is the procedure they were observing for the last few years and that he was merely following a time honoured precedent, I shall take some time of the House in showing conclusively that that statement is not correct....

Mr. Chairman (Sir Hari Singh Gour): The House now stands adjourned till Half Past Two.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Mr. S. C. Mitra: When the House rose for Lunch, I was discussing about the procedure of the Standing Finance Committee for Railways and their reports. It has been said from the Government side that in this matter they were merely following old precedent. I shall presently show that that statement is not correct. In the earlier years, there was an elaborate report of the proceedings of the Standing Finance Committee. To give an instance, I am referring to the proceedings held at Delhi on the 24th January, 1925, which are reported in three pages and then on the 6th February, 1925. If I read a few sample pages, the House will understand....

Mr. Chairman (Sir Hari Singh Gour): I understood the Honourable Member for Commerce gave an assurance to this House that in future a fuller report of the proceedings of the Railway Finance Committee would be recorded.

The Honourable Sir Joseph Bhoré: I gave such an assurance.

Mr. S. C. Mitra: In view of that, I have nothing more to say.

Mr. Chairman: The question is:

"That a supplementary sum not exceeding Rs. 24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Audit'."

The motion was adopted.

WORKING EXPENSES—ADMINISTRATION (COMMERCIAL LINES).

Mr. P. R. Rau: Sir, I move:

"That a supplementary sum not exceeding Rs. 12,50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Working Expenses—Administration (Commercial Lines)'."

The reasons for this excess have been fully explained in the memorandum which is placed before the House. Practically the entire demand is due to the fact that our estimate of the emergency deductions from pay proved to be an underestimate. A contributory cause was the fact that gratuities due to discharges and voluntary retirements proved to be higher than we had anticipated. I should like to say only one word about this over-estimate of the emergency deductions from pay. This estimate was based on inadequate information and had to be done in a hurry in order to prepare the Budget Demands in time. That is, I think, the main reason for this over-estimate. Another contributory cause was—I would not lay too much stress on this—the fact that, later on, when we came to work the detailed rules, we provided that workshop staff who had already suffered by reason of short time working in the workshops would not be subject to the same cut as they would have been if they had not been kept on short time. We provided that any member of the workshop staff who had already lost more than 23 hours a month would not be subject to the cut.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): I want to know whether this estimation concerns any particular Railway or all the four State-managed Railways and Company-managed Railways as well.

Mr. P. R. Rau: This over-estimate was framed by the Railway Board and must be taken to be on all Railways.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That a supplementary sum not exceeding Rs. 12,50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Working Expenses—Administration (Commercial Lines)'."

Dr. Ziauddin Ahmad: This Supplementary Demand was originally estimated at 12,25,000 and 5,50,000. A note is added saying that a part of this is expected to be counterbalanced by savings in other directions. So that, the savings in other directions are expected to be utilised in order to pay a part of this extra expenditure under these two heads without the sanction of the Railway Finance Committee. The point I should like to make is that the savings in other directions ought to be sufficient to pay the entire cost, not only a part of it, but the whole of it. In this connection I may quote from the explanatory memorandum which says in paragraph 13:

"Owing to the changes in accounting procedure introduced in 1932-33 as a result of which certain items of expenditure previously shown under 'administration' were transferred to 'operation other than fuel' it is necessary for purposes of comparison to take these two heads together."

[Dr. Ziauddin Ahmad.]

Therefore, in my remarks I will have to include Demand No. 4 and Demand No. 5 for the reasons already mentioned in this explanatory memorandum. The first thing is that under the head "Administration and Operation other than Fuel", I explicitly omit fuel, because it has been discussed on the occasion of the Railway Budget. Under the heading of "Administration and Operation other than Fuel" I notice that there has been a very great difficulty in estimation, not only now, but all the time. In the year 1931-32, under these two headings, their estimate was 29.85 crores, but the actual expenditure was 30.64. In the year 1932-33, the estimate was 28.14 the actual was 29.72, and this year also the estimate is 29.48, and unless extraordinary steps are taken to have some kind of economy, this year also it is bound to rise. Therefore, I should like to point out that this over-expenditure is not due to the strenuous circumstances this year, but it is the habit of mind of the Railway Board, because they are perfectly certain that whatever they demand would be sanctioned by the procedure now followed in the Standing Finance Committee and in the Assembly.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Have the Railway Board got any mind?

Dr. Ziauddin Ahmad: I stand corrected. They are soulless people. Now, the incurring of extra expenditure is a thing which is not very unusual with the Railway Board. Then, there is another item "Other Expenses", and a very paltry sum is provided under that heading,—one crore and 12 lakhs—for this year. Nothing has been given to show what this head includes, and I may just ask whether, from this paltry sum of over a crore of rupees, it was not possible to make savings here. Now, the other items under which savings could have been effected were pointed out by the Opposition side from time to time. For instance, one method of saving, which could have been effected and which the Railway Board did not make use of, is the amalgamation of the higher staff of the East Indian and Eastern Bengal Railways.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The Honourable Member is perfectly aware of the very limited scope of discussion under this head. These demands relate only to "emergency deductions and gratuities" and, consequently, as the Honourable the Financial Commissioner has pointed out, there was an erroneous calculation, an over-calculation necessitating the correction of it by the addition of these sums. The question of amalgamation, which is a question of policy, cannot be discussed under these heads.

Lieut.-Colonel Sir Henry Gidney: Sir, do I understand from your ruling that "Administration" does not come under "Policy" or "Policy" does not come under "Administration"?

Mr. Chairman (Sir Hari Singh Gour): An emergency cut does not come under policy.

Lieut.-Colonel Sir Henry Gidney: Does "Administration" come under it?

Mr. Chairman (Sir Hari Singh Gour): Order, order. I am not here to answer questions.

Dr. Ziauddin Ahmad: The point I wanted to make out was that the Railway Board had already met a part of this unforeseen expenditure by savings in other directions and I want to say that they could have met the whole of this cost by wiser administration in other directions and that this they have failed to do and that, therefore, we should not vote this Demand. Then, I am going to point out in what manner these savings could have been effected under this head. The Members of the Assembly suggested various methods during the discussion of the Railway Budget and, if any of these things had been adopted, there could have been substantial savings under the other items included in these particular Demands, Nos. 4 and 5, and, in that case, there would not have been any necessity for the Railway Board to come up to the Assembly for the additional grants. Now, one point was made out by my Honourable friend, Mr. Joshi, the other day—unnecessary accommodation for the first and the second class passengers. Had they removed these higher carriages

Mr. Chairman (Sir Hari Singh Gour): Order, order. I must once more call the attention of the Honourable Member to the fact that he cannot sidetrack the various issues we have got here and that he cannot again revert to the general discussion on the Railway Budget. He must confine himself to the very specific demand before the House, viz., that arising from an error in the calculations of emergency deductions and gratuities.

Dr. Ziauddin Ahmad: It is really the same. Sir. I raise the point whether it was possible for them to meet this additional demand in other directions. May I ask, whether this is in order or not?

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is perfectly in order in saying that there is no occasion for coming up for these Supplementary Demands as there were other channels for retrenchment; but, as long as he confines himself to that point, he would be in order. If, however, he makes suggestions for the purpose of changing the whole policy and administration of the Railways, on the ground of either economy or general convenience, then the matter goes against the ruling which has been given in this House by the present Chairman and his predecessors.

Dr. Ziauddin Ahmad: I bow to your ruling, but my point was to mention the specific instances under which economy could have been possible and to state that the Railway Board never utilized it. If this is ruled out, then the only point which is now left is the arithmetic of these figures and there would be very little room for discussion.

Mr. Muhammad Yamin Khan: Is it possible for the Financial Commissioner to appropriate money which he saves from the other heads without coming up to ask for the sanction of this House?

Dr. Ziauddin Ahmad: Well, here it is stated that part of this is expected to be counterbalanced by savings in other directions. My point is that the whole of it could have been done in this manner; and, if he cannot make

1336

LEGISLATIVE ASSEMBLY.

[28TH FEB. 1933.]

[Dr. Ziauddin Ahmad.]

out any case, then I leave it at this stage: but I would like to mention—and this is the only point which can be emphasised under the restricted conditions imposed by you, Sir . . .

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member is perfectly in order in showing that whatever may have been the miscalculation, there were other channels from which savings could have been effected and that, therefore, there was no occasion for coming up before this House with a Supplementary Demand.

Dr. Ziauddin Ahmad: Thank you very much, Sir. I restrict myself to this point that these gratuities, I understand, are given to those persons who are retrenched for the sake of economy, before they have completed their full service.

Mr. P. R. Rau: Not exactly, Sir. These gratuities are gratuities given to all railway staff whether on the expiry of their normal service or normal age or are retrenched on other grounds.

Dr. Ziauddin Ahmad: Do I understand that gratuities are given to those persons also who retire after completing their full service?

Mr. P. R. Rau: Yes.

Dr. Ziauddin Ahmad: I understand they are given to those persons only who are forced to retire. That is my only point. In this particular case, the economy that could have been effected had not been effected. I think, by wiser administration, it would have been possible under the heading "Operation and Administration" to make a substantial economy, and I hope they will be able to reduce the amount next year when the report of the Pope Committee is received, and will not come to the Assembly for an additional grant for the year 1933-34.

Lieut.-Colonel Sir Henry Gidney: Sir, I want to ask the Honourable the Financial Commissioner a few questions in regard to this demand. There is an item—"gratuities being higher than anticipated as a result of discharges and voluntary retirements". Do I understand from this demand that it is a direct result of the retrenchment policy the Railway Board has been compelled to undertake within the past years of stringency? Again, it is said that the emergency is due from payment being less than estimated. I would like to ask the Honourable Member to further elucidate the point. Let us know really what he means by this. He introduced this demand with a very few remarks which certainly did not convince me. Apart from these considerations, I join with my friend, Dr. Ziauddin Ahmad, in the criticisms he has made. I do consider—indeed, I am convinced—that the Railway Board had ample opportunities which they have utterly neglected by means of which they could have effected considerable economy and thereby not have found themselves today in the position of beggars demanding Supplementary Grants. In making this criticism I have no intention of opposing this demand, because this money has been expended and this House has no option but to pass it. But this habit of coming to this

House with supplementary grants without adequate reasons is not a desirable one as you yourself, Sir, so rightly put it when I asked you for a ruling and not "a question". The Financial Commissioner said it was due to an error in calculation. I think myself that the Honourable the Financial Commissioner should protect himself in the future from these errors of calculation. Errors of calculation are often unavoidable and are the outcome of uncontrollable contingencies, but there are other errors which are avoidable and I place this demand under this category of errors. This could have been avoided had the Railway Board exercised more care and paid more attention to economy and retrenched more than they have done not so much in their own staff as in other directions which were stated by my friend, Dr. Ziauddin Ahmad. If I am not transgressing the order of the Chair on this matter, I would repeat the point which is a very vital one and which was very strongly recommended by the Retrenchment Committee on Railways, namely, the amalgamation of these two Railways. Sir, it is not only the amalgamation of these two Railways one wants, but there are other points directly or indirectly concerned with the amalgamation of other Railways which deserve attention. I join forces with my friend in saying that besides these there are many other channels by which the Railway Board could have economised. We are, however, fortunate in having today an Honourable Member in charge of Railways who has given this House many assurances and promises. I hope these promises will be fulfilled because the cost of damages against a breach of promises in this House is a very heavy one. I am sure the Honourable Member who has the confidence of all parties in this House will see that what he has said and promised is put into practice at a very early date and that he and his Financial Commissioner will have a happier story to tell this House next year when he presents his supplementary grants for Railways.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a supplementary sum not exceeding Rs. 12,50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Working Expenses—Administration (Commercial Lines)'."

The motion was adopted.

APPROPRIATION TO THE DEPRECIATION FUND.

Mr. P. R. Rau: Sir, I move:

"That a supplementary sum not exceeding Rs. 6,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Appropriation to the Depreciation Fund'."

Here the additional sum required is entirely due to the fact that on the North Western Railway for the last four years no contributions were adjusted in respect of certain electric assets and the mistake having been corrected this year, there was an additional amount of about 12 lakhs to be paid into the depreciation of this account as a consequence of which there is likely to be an excess. But for this we would not have required an additional grant under this head.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a supplementary sum not exceeding Rs. 6,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Appropriation to the Depreciation Fund'."

The motion was adopted.

APPROPRIATION FROM DEPRECIATION FUND.

Mr. P. R. Rau: Sir, I move:

"That a supplementary sum not exceeding Rs. 1,75,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Appropriation from Depreciation Fund'."

The present estimate of the Railway deficits exceeds our Budget estimate. We are not asking for any sum for the ordinary expenditure on works which is debited to the Depreciation Fund.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That a supplementary sum not exceeding Rs. 1,75,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Appropriation from Depreciation Fund'."

Dr. Ziauddin Ahmad: I would like to ask one or two questions in connection with this demand. In the first place, I want to know whether this money is taken as a loan from the Depreciation Fund or it is only an appropriation and there is no intention to pay it back to the Depreciation Fund? The second question is whether this money is borrowed at a fixed rate of interest and whether they really mean to pay the interest as well as the capital?

Mr. P. R. Rau: Sir, I would like to explain in reply to the questions put to me by my Honourable friend, Dr. Ziauddin Ahmad, that our intention is that the repayment of these loans from the Depreciation Fund will be the first charge on future surpluses. In the second place, this loan is at present interest-free. The reason is that the interest which is paid on balances of the Depreciation Fund, which is with the general revenues at present, is credited to Railway revenues and not to the Fund itself, so that if you charge interest, it will only mean that the amount will be credited to Railway revenues and will be debited to Railway revenues, the effect being the same as the present method of not charging any interest on these advances.

Dr Ziauddin Ahmad: So, this money has been taken away as a kind of debt of honour without interest.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform the House whether this money is really with Railway revenue or is it merged in the revenues of the country?

Mr. P. R. Rau: I am afraid I do not quite understand my Honourable friend's question, but these sums were appropriated from Railway revenues and deposited in a fund which is at present merged in the general ways and means balances of the Government of India.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That a supplementary sum not exceeding Rs. 1,75,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Appropriation from Depreciation Fund'."

The motion was adopted.

STRATEGIC LINES—WORKING EXPENSES AND MISCELLANEOUS.

Mr. P. R. Rau: Sir, I move:

"That a supplementary sum not exceeding Rs. 2,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Strategic Lines—Working Expenses and Miscellaneous'."

The explanation, for this excess is the same as the explanation that I gave with regard to the excess under demand No. 4. To the extent of Rs. 2,50,000 it is due to the fact that our estimate of the emergency deductions from pay proved to be an over-estimate; and the balance is due to the fact that the amount that we estimated to pay to the Income-tax Department in respect of exemption and surcharge of railway staff proved to be an under-estimate to a slight extent.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"That a supplementary sum not exceeding Rs. 2,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of 'Strategic Lines—Working Expenses and Miscellaneous'."

Maulvi Sayyid Murtuza Saheb Bahadur (South Madras: Muhammadan): Sir, as regards this demand, I have to say a few words. Before doing that, I have to thank my Honourable friend, Mr. Gaya Prasad Singh, for having showered some encomiums on me saying that I command the confidence of the elected Members. Sir, I thank him and those who hold the same view. I may, at the same time assure them that I am trying in my humble way to prove worthy of that confidence. As regards one point, I should make my position and the position of my Honourable friend, Mr. Rau, quite clear. The day, Sunday, was objected to by some of the Members and we, the Muslim Members, are in a way responsible for it. First of all, when we met in Calcutta, our Honourable friend was courteous enough to ascertain from us whether Friday would suit our convenience and we said that Friday being our Sabbath day, on which we had to perform our Juma prayers, it would be convenient if he could arrange the meeting on some other day. So it was that he fixed Saturday, but

[Maulvi Sayyid Murtaza Sabib Bahadur.]

on account of the inconvenience of another colleague of ours, Mr. Morgan, he had to change it to Sunday. Sir, if any colleague of ours is to be found fault with for his accommodating tendency, we may level some charge against our friend, Mr. Rau. But for his accommodating tendency he would have, without asking us, changed the date to either Friday or Saturday.

Then, as regards this demand, I have to ask one thing from my Honourable friend, the Member in charge, whether he is prepared to debit this charge to the Military Department in consultation with his colleague, the Finance Member. There was some objection raised in this House as also in the other House that this was a proper charge on the military and not on the civil side. I had no occasion to take part in the general discussion, but now I avail myself of this opportunity and ask my Honourable friend, Sir Joseph Bhore, whether he is prepared to go ahead in that respect, that is to say, to charge this not to the Railways, but to the military.

The Honourable Sir Joseph Bhore: Sir, so far as the limited question is concerned, which was put to me by my Honourable friend, I think he and the House will realise that I could not at once on the floor of the House give a definite aye or nay to a question of this importance which has on more than one occasion engaged the attention of the Government of India. There are certain matters connected with Railway charges in which the Military Department is concerned which are at the present moment engaging the attention of the Government of India. One of them, for instance, is the question of giving preferential rates to the Military Department. That question is certainly engaging the attention of the Government of India. So far as we are concerned,—and I am speaking for the moment as spokesman of the Railway Department.—I should certainly like nothing better than to see increased income, but there are other Departments of the Government of India vitally concerned in this matter, and the House will realise that I could not commit myself one way or the other. Naturally, Sir, a matter of this importance could not be pronounced upon without the closest consultation with my Honourable colleague, the Finance Member. But I shall most certainly consult my Honourable colleague in regard to this and all other matters which refer to the question of the incidence of Railway charges and expenditure so far as the other Departments of the Government of India are concerned.

Mr. Chairman (Sir Hari Singh Gour): The question is:

“That a supplementary sum not exceeding Rs. 2,60,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1933, in respect of ‘Strategic Lines—Working Expenses and Miscellaneous’.”

The motion was adopted.

The Assembly then adjourned till Five of the Clock.

The Assembly re-assembled at Five of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

THE BUDGET FOR 1933-34.

The Honourable Sir George Schuster (Finance Member): The story which I have to tell this year of the public finances of India is a simple and—viewed merely as a matter of public finance—a satisfactory one. The emergency plan which we introduced in September 1931 was designed to produce budgetary equilibrium for the two years 1931-32 and 1932-33, and now as we approach the end of the second of these two years and take stock of the position we can confidently say that our plan has worked.

2. *Summary of results for 1931-32 and 1932-33.*—Let me briefly summarise the position. The results for the year 1931-32 turned out to be nearly two crores better than I anticipated in my Budget speech last March, and the accounts for the year showed a deficit, after providing nearly 7 crores for Reduction of Debt, of 11½ crores.

For the current year (1932-33) our latest revised estimates indicate that our Budget forecast of a surplus of 215 lakhs will be almost exactly realised, and that the surplus—after providing again nearly 7 crores for Reduction of Debt—will be 217 lakhs.

The results for the two years combined thus show a total budgetary deficit of 9.58 crores against which may be set the total provision made for Reduction of Debt of 13.73 crores. We may therefore say that in the two years from April 1, 1931 to March 31, 1933, which I think may be fairly described as the two most difficult years for public finance that the world in times of peace has ever known, we shall not only have paid our way but have provided a net sum of 4 crores, 15 lakhs for the Reduction of Debt. I think that this result is one which is a legitimate cause for satisfaction, and which amply justifies the great improvement in the credit of the Government of India which the recent rise in our security prices has shown.

3. It is interesting to make a short comparison between these results and the forecasts which I gave when I introduced the emergency plan in September 1931. We then anticipated, after allowing for the normal provision for Reduction of Debt, a deficit of 10.17 crores for 1931-32 to be followed by a surplus of 5.23 crores for 1932-33, and that the net amount available for the Reduction of Debt in the two years, after allowing for the deficit on the combined results, would be 9.11 crores. As I have just shown, we now anticipate that the net figure available for the reduction of debt will be 4.15 crores, so that we are about 5 crores below our original estimate for the two years. As the combined amount involved in the two years is about 230 crores on each side of revenue and expenditure, I think we may claim that our forecast showing a variation of only 2 per cent. from the result was, considering the complete instability of the time, fairly near the mark.

[Sir George Schuster.]

It is also interesting to examine where the main differences from our estimates occurred. Revenue for the two years is 10.42 crores less than was forecasted, but expenditure was also less than the estimates by 5.78 crores. The reduction in expenditure is accounted for largely by savings in interest charges owing to the improvement of Government credit and the cheaper money conditions which have supervened; but there has also been a realisation of administrative economies beyond what we felt safe in hoping for last year. I shall deal later in greater detail with the position as regards expenditure, but Honourable Members will, I feel sure, regard it as satisfactory that the figures for these two years should show such a substantial reduction as compared with our estimates.

Table summarising Budgetary forecasts and results for 1931-32 and 1932-33.
(In lakhs of rupees.)

	Revenue.	Expenditure (including provision for reduction or avoidance of debt.)	Surplus or Deficit.	Provision for reduction or avoidance of debt included in expenditure.	Surplus of receipts over expenditure other than Reduction of Debt.
Emergency budget—					
1931-22 . . .	1,26,13	1,36,30	—10,17	6,90	—3,27
1932-33 . . .	1,33,06	1,27,83	+5,23	7,15	+12,38
Combined result for both years . . .	2,59,19	2,64,13	—4,94	14,05	+9,11
Estimate at Budget Session, March 1932—					
1931-32 (Revised).	1,20,77	1,34,43	—13,66	6,89	—6,77
1932-33 (Budget).	1,29,96	1,27,81	+2,15	6,82	+8,97
Combined result for both years . . .	2,50,73	2,62,24	—11,51	13,71	+2,20
Present estimates—					
1931-32 (Actuals) .	1,21,64	1,33,39	—11,75	6,89	—4,86
1932-33 (Revised) .	1,27,13	1,24,96	+2,17	6,84	+9,01
Combined result for both years . . .	2,48,77	2,58,35	—9,58	13,73	+4,15

4. *Expectations for next year (1933-34).*—With a surplus of 217 lakhs anticipated as the final result for the current year, the next question is whether we can expect a repetition of such a surplus next year. In order to explain the answer which I have to give to that question it is necessary to analyse the factors which have contributed to the current year's result, and to review the general economic position. In anticipation of this examination I may remind the House of one important feature in the position, namely, that our revenue during the past 18 months has been specially augmented by the process of abolishing the salt credit system, the effect of which has been to give us the equivalent of two years' duty on credit salt in the space of 18 months. As a result we have benefited during 1932-33 by a special non-recurring addition of about 150 lakhs to our revenue. That of course drops out next year.

5. *Economic position.*—The general features of the economic position are so well known, and so closely resemble those which I had to describe last year that I need not deal with them at length. Again, as last year, I can say that the monsoon was fairly normal for India as a whole, and that so far as climatic conditions are concerned India might have been enjoying a year of normal prosperity*. Again, as last year, I can say that world economic conditions have been the overriding factor, and that India's trade and purchasing power have been suffering from the terribly low levels to which prices and demand for commodities have declined. In the latter respect the current year has touched still lower depths. Last year it seemed reasonable to hope that a move would be made to settle the world troubles, and that with the detachment of sterling from gold we might see a substantial rise in prices for commodities at least in terms of sterling and of the currencies linked with sterling. Unfortunately neither of these hopes has been realised. A good start was made at the Lausanne Conference in June, and the provisional agreement then achieved, which would have resulted in the removal of the disturbing factor of Reparation payments, spread at the time a feeling of justifiable optimism. But unfortunately the possibility of executing this agreement depends on the balancing cancellation of war debts, and for this problem there is no solution yet in sight. Indeed, except among the nations of the British Commonwealth, for which within their own area the Ottawa Agreement holds out hopes of improvement, there has been no advance towards that international co-operation which is so badly needed; and for the world in general it is unfortunately true to say that there has been not only no quickening up of the normal flow of trade, but on the contrary the restrictions which so many countries have been forced to impose on trade and exchange in order to maintain their balance of payments have operated still further to check the international exchange of goods. As regards prices, the anticipated rise in rupee and sterling prices has not materialised. The position, broadly speaking, is that, after an initial rise, prices towards the end of the period under review showed again a falling tendency, with the result that although the average level of prices on the basis of which India's exports during 1932 were sold is slightly higher than during 1931, the general level of prices at the end of the year had fallen below this average. The most that one can say is that countries with currencies

* The monsoon was normal for India as a whole except in Bihar, the East United Provinces and North Madras coast. Otherwise though lighter than usual, it was fairly well distributed and fortunately rainfall in September was above the average. The sowing conditions for monsoon crops were only moderately favourable: sowing conditions for cold weather crops were generally favourable. The winter rains have been below the average and the yield of the crops now on the ground will depend to a greater extent than usual on the weather during the next few weeks. Slight frost damage in January has been reported from a number of places.

[Sir George Schuster.]

linked to sterling have fared much better than those which are still on a gold basis.

If Honourable Members are interested in studying the position, I would commend to their attention the Review of the main items of India's foreign trade for 1932, which has been prepared by Dr. Meek, the Director-General of Commercial Intelligence and Statistics, and which I propose to circulate as usual with the budget papers. In my present speech I can only deal with the broad aspects of the position.

6. The results of the further deterioration in the general world position are revealed in India's export figures which for the 10 months from April to January showed a total value of 110½ crores as compared with 134½ crores for last year.

7. In the case of practically all the main items the decline is accounted for by a fall in the quantities rather than the price of the articles exported. This is true of the following decreases,—cotton exports 6½ crores, jute 1½ crores, grain, pulse and flour about 2 crores, seeds just over 2 crores. The only exception to this under the major heads of exports is the case of Tea where a slight increase in the quantity exported has been accompanied by a fall of 3 crores in value.

8. I may at this stage note that during 1932 there was a slight improvement from India's point of view in the correction of the disparity between the price levels for the main articles which she has to sell and those which she has to buy. According to Table XV of Dr. Meek's review it is shown that the average index figure for the main export articles, taking 1913-14 prices as 100, was 77 for 1931 and 79 for 1932. On the other hand, the index figure for the main articles of import averaged only 84 in 1932 as compared with 87 in 1931.

9. For appreciating the significance of the comparison which I have made between exports for the first 10 months of the current year and last year, it is necessary to compare the present figures with the general average levels for the post-war period. In the figures for the current year, the most striking feature has been the fall in the exports of Indian cotton which has been only offset to a very small extent by an increase of the consumption of cotton by Indian mills, for they have provided for their larger production mainly by greater purchases of imported cotton. Comparisons between results for the calendar year 1932 and the average for the 10 years from 1920 to 1930 bring out the same point.

		Quantities.			Values.		
		Average of 10 years ending 1930.	1932.	Percent-ago.	Average of 10 years ending 1930.	1932.	Percent-ago.
					Rs. (lakhs).	Rs. (lakhs).	
1. Cotton, raw	Ton (000)	616	286	46	69.09	16.03	23
2. Hides and Skins (Raw and Tanned) . .	Ton (000)	70	42	60	13.95	7.76	56
3. Jute, raw and manufactured	Ton (000)	1,499	1,176	78	72.84	31.49	43
4. Tea	lb. (millions)	346	368	106	27.06	16.89	62
5. Groundnuts*	Ton (000)	448	472	105	11.21	8.11	72
6. Rice (not in the husk)	Ton (000)	2,067	2,076	100	36.98	17.16	46

*The trade in groundnuts has been expanding rapidly during the period.

This table shows how terribly the value of India's exports has declined compared with what had come to be accepted as a normal level in the post-war period. But even so the figures as regards quantities exported—with the sole exception of cotton—have kept up in a manner which seems to justify the view that India has not even yet suffered quite so badly as most of the other countries producing primary agricultural products.

Raw cotton is by far the worst sufferer and during 1932 the exports had fallen in quantity by more than a half, a fall which as a result of the lower prices is increased to one of more than three-quarters in value as compared with the average for the past 10 years. For jute the fall in volume was about a quarter while the fall in value is more than a half. In the case of tea, although the volume of export was more than maintained, the value was reduced by more than a third. In the case of rice, the volume of export was maintained but the value fell by over 50 per cent. Groundnuts on the other hand show an increase in quantity but a decline in value.

10. While the value of India's exports has thus further declined this year as compared with last, the course as regards imports has been strikingly different. For these, at 112½ crores for the first 10 months of the current year, show a rise of about 7½ crores on the corresponding 10 months of last year. Here again an examination of the actual changes in the case of the main articles of import is interesting and suggestive. By far the largest item is the increase of just over 7 crores in cotton piece-goods and yarns. It may perhaps be said that in this case exceptional factors have come into play, because the preceding period with which it compares, influenced as it was by non-economic factors such as the boycott, can hardly be regarded as normal. The important fact to remember, however, is that this increase in imports of cotton piece-goods was accompanied by a striking growth in the production of Indian mills,—which according to Dr. Meek's figures increased by about 11 per cent. or 284 million yards in the first 11 months of 1932 as compared with 1931. It must also be noted that there has been a marked increase in the imports of other piece-goods, woollen, silk, artificial silk, and mixtures.

The increase in Indian production of cotton goods accounts for the next interesting item of increased imports on which I must comment, namely, of raw cotton, which at 6.36 crores are 79 lakhs up on last year. The steady growth during recent years in these imports is most remarkable. Taking the "cotton years" up to August 31 in each case, imports of foreign cotton expanded from just over 20,000 tons in 1928-29 to 97,000 tons in 1931-32.

11. Another interesting item is machinery, where the imports at 9½ crores are only a few lakhs less than last year. Here there would have been a much greater fall if it had not been for a striking increase in the imports of plant for sugar factories, the imports of which in the 9 months to the end of December amounted in value to 138 lakhs as compared with 30 lakhs last year and only 9 lakhs in 1929-30.

In the case of certain other machinery too there have been increases which are encouraging. Thus, taking the full calendar year 1932 as compared with 1931, cotton machinery increased from 180 to 208 lakhs, while tea, jute and wool machinery increased by 13, 3 and 1 lakh, respectively.

12. These are the chief items of expanding imports. As against this I must comment on the two most striking examples of declines. Imports of foreign sugar at 3.66 crores are down by 1½rd crores. This indicates the continuance of a steady process of decline in the value of sugar imports which

[Sir George Schuster.]

for 1930-31 was about 9 crores, and in 1929-30 about 14 crores. The decline may be partly due to decreased purchasing power as evidenced by decreased consumption of refined white sugar, but I think it is a fair appreciation of the position to say that it is mainly due to the increase of Indian production. I explained last year that we estimated the production of Indian sugar to be increasing at the rate of 60,000 tons per annum, and it looks now as if this rate were being considerably accelerated. I shall deal later with the effects of this on our revenue position.

13. Another striking example of decline is the case of vehicles—mainly of course motor-cars, buses and lorries, which at 304 lakhs for the 10 months show a decline of 89 lakhs on last year and are less than $\frac{1}{3}$ rd of the value in 1929-30.

It is probable that I shall be told in the course of debate that the decrease is mainly due to the high level of our import duties. I think it more correct to regard it as mainly caused by loss of purchasing power, which on the one side restricts luxury expenditure, and on the other induces owners of cars and heavy vehicles which are not used for luxury purposes to avoid replacements which are not absolutely necessary.

14. It is not possible in a budget speech to go into all the interesting details in our trade returns, and I am concerned now only with broad conclusions, and more particularly with those that affect our revenue estimates. With some of these broad conclusions I wish now to deal. In the first place the results as regards imports combined with the figures of Indian production of such articles as salt and kerosine and cotton piece-goods seem to reinforce one of the points which I emphasised in my speech last year—namely, the extraordinary power of resistance, in spite of diminished purchasing power, which India shows in maintaining the consumption of certain standard necessities of the masses.

15. I have had a table prepared which will be printed with this speech analysing the results as regards certain main articles of consumption classified under three heads—luxury articles, requirements of industry, and necessities of the masses. The classification cannot be entirely accurate, and it is difficult to say exactly where such articles as sugar and artificial silk piece-goods should be placed; but if one takes such articles as cotton piece-goods, kerosine, and salt as necessities for the masses, machinery, lubricating oil, cement and chemicals as industrial requirements, and tobacco, liquors and motor-cars as luxuries, one can at least draw interesting conclusions.

In order to get at the figure of consumption I have taken imports plus local production for articles which are produced in India, and imports only for those articles which are not. This again may not be entirely accurate for a particular year, for some of the imports and home production may have gone into stock, particularly in the case of cotton piece-goods during 1932; but it affords a rough guide, and, for an average of years, must be fairly accurate. On this basis I have made a comparison between the consumption for the calendar year 1932 and the average annual consumption for the ten year period from 1920 to 1930, which may be regarded as a period of prosperity with high prices and high purchasing power. The table shows both quantities and values. Values have been calculated as follows. In the case of articles which are only imported the declared values have been taken and the various rates of import duties during the ten year period have been added. For articles which are both imported and

manufactured the value of the internal production has been estimated on the basis of the declared value of the corresponding imports together with the appropriate rate of duty for each year of the period.

The results shown in this table are, I think, extremely interesting. As regards the three articles which I have taken as necessities for the masses, the quantities of consumption are in all cases higher for 1932 than for the ten year average 1920-30. Piece-goods with a total of 5,827 million yards as compared with 4,923 million yards for the earlier period are 18 per cent. up. Kerosine oil with a total of 235 million gallons as compared with 232 million gallons for the earlier period is 1 per cent. up. Salt with a consumption of 2,106,000 tons as compared with 1,965,000 tons for the earlier period is 7 per cent. up.

Turning to values, there is of course a fall in these for 1932, owing to the lower prices prevailing in spite of the higher duties. The total value of all these three commodities consumed in 1932 was 162 crores representing 78 per cent. of the average for the ten year period, which was 207 crores.

In the case of the articles required by Industry, it is of course impossible to compare quantities for such miscellaneous heads as machinery and millwork, or chemicals. The Table shows a fall in value for machinery and millwork of about 40 per cent. which, allowing for the fall in prices, must indicate a very much smaller fall in quantities; a fall both in quantity and value of lubricating oil of between 30 and 40 per cent.; an increase in quantities of cement accompanied by a fall in values; and an increase of 26 per cent. in the value of chemicals. The total value of all these articles for 1932 is 70 per cent. of the value for the ten year period.

Turning to luxuries, there is a very heavy fall in motor-cars, with a figure of 5,300 cars for 1932 as compared with an annual average of 11,400 in the earlier period. Quantities represent 46 per cent. only, and values 43 per cent. only of the earlier period. I would note here that the value per car has fallen in spite of the increased duties. Tobacco consumption for 1932 represents 61 per cent. in quantity and 51 per cent. in value of the earlier period, and liquors 92 per cent. and 73 per cent. respectively. Altogether the total value of the three luxury articles consumed in 1932 represents 58 per cent. of the average value for the earlier period.

I think it is fair to say that these figures indicate that certain luxury and quasi-luxury articles show very heavy decreases in consumption; that industry has stood up fairly well, and that in certain fields—particularly the sugar industry and the textile industry—expansion in India is still progressing in spite of the world slump; and lastly that as regards the necessities of the masses the consumption figures are being maintained in a most remarkable way in spite of loss of purchasing power, while in spite of increased excise and import duties consumers have had a substantial benefit from the fall in prices.

I must add in conclusion one obvious but most important point, namely, that the really striking falling off in India's normal consumption has been in the case of precious metals. As is well known, India imported gold and silver of the average annual value of about 40 crores in the years from 1920-30. The power to cut out this enormous margin has been a tremendous factor—equal in importance almost to the actual sale of gold, to which I shall refer later—in enabling India to go through this period of depression without being forced to cut down her normal absorption of those commodities which are needed for daily consumption.

[Sir George Schuster.]

16. The figures in the following table indicate imports except in the case of articles marked * where the quantities given include figures of production so far as available. In the case of salt, production figures relate to British India excluding Aden. The value figures of production have been estimated on the basis of the average declared value for imports.

			Quantities.			Values (cum duty).		
			Average of 10 years ending 1930.	1932.	Percentage.	Average of 10 years ending 1930.	1932.	Percentage.
						Rs. (lakhs).	Rs. (lakhs).	
(A) <i>Luxury articles</i> —								
1. Motor-cars . . .	No. (000)		11.4	5.3	46	3,50	1,51	43
2. Tobacco . . .	lb. (000)		8,396	5,104	61	4,03	2,06	51
3. Liquors . . .	Gal. (000)		5,915	5,429	92	5,93	4,30	73
Total of (A) . . .			..	..	..	13,46	7,87	58
(B) <i>Requirements of Industry</i> —								
4. Machinery and mill-work . . .			..	..	..	19,62	12,04	61
5. Lubricating oil . .	Gal. (Million).		22.3	14.3	65	2,28	1,57	69
6. Cement * . . .	Ton (000)		492	551	112	3,73	2,86	77
7. Chemicals . . .			..	..	..	2,64	3,34	126
Total of (B) . . .			..	..	..	28,27	19,81	70
(C) <i>Necessities for the masses</i> —								
8. (a) Cotton piece-goods (Mill-made) * .	Yds. (Millions).		3,677	4,327	118	131,72	99,40	76
(b) Cotton piece-goods (hand-loom).	Do.		1,246	1,500	120	44,85	34,46	77
Total . . .	Do.		4,923	5,827	118	176,57	133,86	76
9. Kerosine oil * . .	Gal. (Millions).		232	235	101	17,73	16,27	92
10. Salt * . . .	Ton (000)		1,965	2,106	107	12,74	11,84	93
Total of (C) . . .			..	..	..	207,04	161,97	78
(D) <i>Articles of doubtful classification</i> —								
11. Artificial silk piece-goods.	Yds. (Million).		27.8	116.2	418	2,24	4,38	196
12. Sugar . . .	Ton (000)		781	462	59	23,69	12,75	54

17. I must now turn to another broad aspect, the position as regards the balance of trade and of payments. With exports for the 10 months at 110½ crores and imports at 112½ crores, India has a slight adverse balance of trade in merchandise. As in the last months, however, the tendency has changed, and there has been a reduction in the adverse margin, one may not unreasonably anticipate that the year will end with an even balance. But owing to India's large "invisible imports"—mainly represented by external obligations—an even balance of trade in merchandise falls far short of giving us an even balance of payments, and therefore India could not support the present volume of imports without very embarrassing results unless the position were being helped by some other factor. That factor in the present case has been, as Honourable Members well know, the export of gold. I do not propose to give a mass of figures illustrating this aspect of the matter now, because I dealt with it very fully in a speech at the Ottawa Conference which I believe most Honourable Members have seen. The broad fact is that India could not with exports at their present level support the present volume of imports simultaneously with meeting her external obligations unless they were supplemented by gold exports. What is happening now may be put in two different ways, either that part of India's consumable imports are being paid for in gold, or that gold sales are providing the means to meet external obligations and, as I shall hereafter explain, to accumulate reserves in external currencies. The truth really is that what is happening is a combination of the two processes, for it must be remembered that so far as concerns the individuals who make up the mass of producers of goods for export and consumers of imported goods, they have to pay for the latter with customs duties added, and as customs duties on the 112 crores worth of goods imported for the 10 months of the current year amount to 38 crores, one may say that the exports to the value of 110 crores are being supplemented by gold sales in order to pay for goods at the imported value of 150 crores, so that 40 crores of the gold proceeds have been used to pay for consumable goods. To this extent therefore it may be said that India is helping herself to tide over a period of unexampled depression by drawing on her reserves of gold, and thereby avoiding reducing her consumption to the desperately low level which would otherwise be necessary. This, however, is by no means the whole story, and as there are many questions arising in connection with gold exports which have a vital bearing on the welfare of the nation, and as I know that Honourable Members take very great interest in it, I propose to deal with this subject again, as last year, at some length.

18. In the first place I know that there are many who regard what is happening as a dangerous process of living on capital. I think it fairer to regard it, as indeed I pointed out last year, as a process partly of exchanging one form of investment for another, and partly of tiding over a period of abnormal difficulty by drawing on reserves which had been accumulated in better times; reserves, moreover, which produce no revenue, so that their depletion does not bring about any decrease of income. To that extent we have regarded the process as a legitimate use of reserves, which has on the whole been beneficial to the people. How long such a process can, without damaging the country, continue is another matter, but I must point out that so far as Government is concerned nothing that it could do could prevent individual owners of gold selling their gold and using the proceeds for investment in other forms or for the purchase of consumable goods.

19. There is, however, another beneficial aspect of the process to which I think it important to direct attention. I have already commented on what is the worst feature of the present world situation, namely, that practically

[Sir George Schuster.]

every nation today in order to preserve its balance of international payments has been forced to put artificial restrictions on its imports, by way of high duties and exchange restrictions. This is checking the flow of international trade, so that its channels are gradually becoming completely dry, and is the main evil from which the world today is suffering. We ourselves by increasing our own import duties have done something to add to the evil, but if the flow of imports into India had not been helped by the exports of gold the case would have been very much worse. India in fact has been able to release into the world a commodity for which alone there is an undiminished market and the possession of which, if it is used as a basis for currency, does not diminish but rather increases the purchasing power of the countries which absorb it. By doing so India has been enabled to take more imports and thereby in this second way also to increase the purchasing power of her own potential customers. This last point indeed must always be borne in mind, for we cannot restrict our own imports without weakening the market for our exports of merchandise.

20. There is still a third point on the credit side of the account to which I must call attention. The proceeds of the gold which have been sold have only to a limited extent been balanced by the purchase of consumable commodities. A great portion has undoubtedly been invested. The increased demand for Government securities affords general evidence of this, and that the process has been widespread and not confined to the richer classes can be very clearly seen from the figures of Post Office cash certificates and Savings Bank deposits. The figures here are most striking. Making very conservative allowances for what we shall get in the last two months of the year, we estimate the net investment in Post Office cash certificates this year at 10 crores and the net addition to savings bank deposits at 4.35 crores. Both these figures greatly exceed any previous record, and I may point out that the figure of 10 crores for Post Office cash certificates compares with average net receipts of about 2½ crores annually for the period from 1917, when these certificates were first started, until March 31, 1931. Moreover the high figure for this year follows on the exceptionally high figure of 6.15 crores for net receipts last year. These figures therefore clearly show that proceeds of gold sales have been converted into investments by the poorer classes, and although the Indian habit of accumulating reserves of gold has stood the country in good stead in the present crisis, I feel forced to regard it as a beneficial advance that the exceptionally high price of gold in rupees should have started a process of exchanging barren gold reserves for interest-bearing Government securities as a form of investment. If only the process is kept in proper channels, and the people of India are not misled, as the people of the United States were in the post-war boom, to putting their savings into wildly speculative investments, the result must in the long run be of great benefit to India.

21. But I must now turn to another aspect of the matter. There may be some who would agree that there is some truth in what I have said up to this point, but who have an uncomfortable feeling that the country is being weakened by the process, and that Government if they had adopted a different policy could have prevented this weakening. Such people argue that, even if we could not prevent private individuals who wish to do so from selling their gold, Government ought to have acquired it for themselves and thus have prevented it leaving the country. I shall deal later with the criticism of Government policy. For the present I am only concerned with presenting an account of what has actually happened, and I think that Honourable Members will find the account interesting. I propose to take the period

of 15 months from the end of September 1931, just after England went off the gold standard, up to December 31, 1932, and shall endeavour to put the position in the simplest possible form.

22. In this period of fifteen months, India on balance exported 107.08 crores of gold. We may thus take it that private individuals during this period acquired out of the proceeds of gold exports balances in external currency, probably mainly in sterling, to the extent of £80½rd millions. During this same period exports of merchandise were 181.37 crores and imports 161.45 crores, giving a favourable balance of 19.92 crores equivalent to, say, £15 millions. This sum also may be taken as having been converted into external currency balances by private individuals. Adding this £15 millions acquired against merchandise to the total of £80½rd millions acquired against gold exports, the total external balances acquired by private individuals from October 1, 1931, to December 31, 1932, amounts to £95½rd millions. Out of this sum Government has acquired by its purchases in the market as currency authority no less than £69½rds millions.

The balance of £25½rds millions has been retained on private account. I will deal with this latter portion later and consider first what the Government has done with the sterling balances of £69½rds millions which it has itself acquired.

23. In the first place Government has used about £34 millions in meeting its ordinary recurrent commitments.

Secondly, it has used £15 millions in discharging the 5½ per cent. sterling loan which matured on January 1, 1932, thereby liquidating an obligation which cost it £825,000 equivalent to Rs. 110 lakhs per annum, and greatly strengthening its credit in London.

Thirdly, Government has added about £11 millions to its currency reserves, and lastly, the balance of £9½ millions was added to the Government's Treasury balances, and is really potentially available for further strengthening of its currency reserves.

Government therefore made good use of the abnormally high amount of sterling which it was able during these fifteen months to purchase as a result of the gold exports.

In order to complete the picture I may here add that a 5 per cent. sterling loan for £10 millions was floated during the same period, out of the proceeds of which £6 millions 6 per cent. bonds were repaid and the remaining £4 millions of which were used as a further addition to the Treasury balances.

Taking this last transaction into account, the combined result is that during the fifteen months the Government has reduced its sterling debt by a net amount of £11 millions sterling, has increased its currency reserves by £11 millions and its treasury balances by £13½ millions. The total of these amounts is £35½ millions, so that out of our £69½rds millions sterling we used about £34 millions for meeting our current requirements and £35½ millions sterling for strengthening our position. Incidentally we may thus be said to have advanced by £35½ millions towards the position required for setting up a sound Reserve Bank.

24. I must now turn to consider the sum of £25½rds millions which, as I have explained, must be regarded as having been retained by private individuals out of the total proceeds of gold exports and the balance of trade in merchandise. What has happened to this money? In the first place, as Honourable Members are well aware, a substantial proportion of the external currency derived from the sale of Indian exports abroad is always retained

[Sir George Schuster.]

on private account. The amount required is influenced by two factors, first normal current requirements, and secondly, movements of capital. The normal current requirements are for such things as sea freights, interest and dividends on investments in India held abroad, family remittances, money spent abroad by travellers from India, etc., etc. The movements of capital may be either transfer of funds for permanent investment by private individuals, or the movement of funds by banks for temporary investment in treasury bills, etc. These movements of capital may of course take place either towards or away from India, and therefore either reduce or swell the amount required to meet current requirements. The annual reports of the Controller of the Currency always give clear figures and explanations on this point and I would refer Honourable Members to them. I cannot within the limits of this speech attempt any full examination of this matter, but from the investigations of the Controller of the Currency it appears to be a fairly accurate estimate to say that in the 15 months with which I am dealing about Rs. 15 crores or £11½ millions was required for the repayment of money invested in Indian treasury bills by foreign banks, and that the balance of about £14 millions was required to meet normal current requirements. The repayment of the treasury bills, of course, represents a strengthening of the Indian position.

25. It is now possible to reconstruct the whole picture. For this purpose I think it is fair to take the surplus balance of trade in merchandise of £15 millions as earmarked for meeting, in the first place, the normal private current requirements of £14 millions. Thus, in round figures, the position as regards the proceeds of the gold sales would be as follows. Out of £80 millions which represent the proceeds of the exports of gold Government acquired £70 millions and £10 millions served to repay foreign funds temporarily invested in India. Government out of its £70 millions used £34½ millions to meet its own current requirements and £35½ millions to repay sterling loans and strengthen its reserves. Therefore out of the total £80 millions of gold proceeds only £34½ millions were used to meet current requirements, and the balance of £45½ millions went to reduce India's external obligations and strengthen her public reserves.

Looking at the matter from the side of the Indians who have sold the gold, they have acquired 107½ crores of rupees and of this, while a portion has been spent in meeting current requirements (i.e., paying customs duty on imported goods and other taxes), a very substantial portion also, as is clear from the figures which I have given, must have been retained in currency or invested in Government securities.

Therefore whether the position is viewed from the side of public finance or private investment, it is clear that to a very large extent the gold exported does not represent a drawing on reserves, but merely the conversion of one form of reserve into another. Apart from this, as there are some who, while not criticising what has happened so far, consider that the process of so-called drawing on reserves has now gone far enough, I wish to remind the House that even though the amounts exported have been very large, the figures are still small in relation to India's resources. The fact that the published figures are given in values tends to give an exaggerated idea, because, of course, gold now stands at a premium of about 30 per cent. If we look at the statistics of the weight of imports and exports the strength of India's position is extraordinarily striking. From September 1931 up to the end of December 1932 India had exported slightly over 14 million ounces of gold. As compared with this the imports between April 1926 and September 1931 exceeded 15

million ounces; so that, in spite of the enormous amounts hitherto exported, we are not yet back to where we were in April 1926. If we go further back the results are still more striking. The net imports from April 1922 to March 1926 exceeded 28 million ounces, and this means that India can go on exporting gold until the total quantities have risen to three times the amount of what has already been exported, and still have more gold in hand than she had eleven years ago.

So far, therefore, regarding the whole position of India as a single interest and considering the vast size of the accumulations of gold which exist, it cannot be said that there has as yet been any dangerous depletion.

26. I have been concerned in making this examination rather with presenting a picture of what has happened than of defending Government's policy, but it will help to complete my explanation if I now deal with some of the criticisms which have been made. The general argument is that if Government had prohibited the export of gold and been ready to purchase on its own account against rupees all the gold that has come forward for sale, then Government would have been able to reinforce its own currency reserves to that extent.

I have already shown that Government has actually acquired seven-eighths of the sterling proceeds of the gold exported up to December 31, 1932; but, as I wish to follow out the criticism, I will consider the simple question: "What would have happened if Government had prohibited the export of gold and thereby allowed to those who wanted to sell it no other opportunity except to sell it for rupees?" In the first place it is highly improbable that the same amount of gold would have been sold—But I leave that out of account and will assume that Government would have bought it all. What then would have been Government's position? In the first place it would have had to convert £45 millions of it into sterling to meet some of the purposes which I have already explained, namely, its current requirements and the net discharge of £11 millions sterling debt. As regards the £24½ millions which it has, as I have explained, actually used for strengthening its currency reserves and Treasury balances, it might have kept this sum in the form of gold. But I do not think this would have been good policy, for we already have our proper proportion of gold in our currency reserves, and we should have been well advised to convert this amount also into interest-bearing sterling investments.

27. I am left to explain what would have happened to the balance of £25½ millions retained on private account, or rather the £10 millions out of this sum which represents the proceeds of gold exports; for it is this sum which our critics say we should have secured to ourselves if we had purchased the gold and which by our actual policy we have lost. But should we have been able to retain it? Certainly not. This balance was needed for the purposes which I have explained, and if we had bought the gold for rupees, the private remitters would then have come to us, as the currency authority, and demanded that we, in accordance with our statutory obligation, should sell sterling to them. We could not under the existing law have refused to do so, and in that case we should have had to use the gold which we had acquired in order to buy sterling to meet our obligation, and thus would have found ourselves in precisely the same position as we are today. We could only have refused to sell the gold in two ways. Either we should have had to get a law passed to relieve us of our statutory obligation, in which case who would venture to prophesy what would have happened to the sterling value of the rupee? Or, as an alternative,

[Sir George Schuster.]

we should have had to pass a law putting a rigid restriction on all exchange transactions, which would have been a gross and unnecessary interference with the liberty of private individuals to deal with their own property, and would necessarily have led to a very serious restriction of imports.

Either of these alternatives would have been very serious steps, which might have had far-reaching and dangerous effects on our position. Those who criticise our policy as regards gold must first be very sure in their own minds whether they would have welcomed them.

28. I have explained the position as fully and fairly as I can, and I hope that I have done so clearly. I have done this not as an advocate anxious to defeat his opponents, but as one who earnestly desires to clear his own mind as to what is right and to put the real issues before the public. We do not claim for ourselves either perfect wisdom or any monopoly of such imperfect wisdom as is attainable in this world, but I think what we can claim is that our policy has guided India through a period of quite unexampled difficulty without disaster, and that at the end of these two years we find ourselves with greatly improved public credit, with greatly strengthened resources, and with the freedom and security of private trade unimpaired. Nor can I believe that any single interest of the country has hitherto been sacrificed or damaged. The policy therefore has worked well so far, and more than this I do not claim. The times in which we live are so uncertain and abnormal that no one could venture to lay down that a particular policy must be for ever infallible. We must be guided by events. But till now and for the present we do claim that our policy has worked well, and that while that continues it would be unpardonable rashness to plunge into the unknown depths of wild experiments.

29. I am afraid that my argument as to Government's policy as regards gold exports has led me into something of a digression from the review of India's economic position which was my main purpose at this stage.

I may now sum up my own conclusions on that review. For my own part, the main impression gained by a study of what has been happening during these last two years of terribly difficult times is one of admiration and wonder at the way in which India and her people have adjusted themselves to the emergency. The more highly organised Western nations may well take lessons from her in this respect. While I have commented on the enormous decline in the demand for India's export products, it is a remarkable fact that this has not yet led here, as in other countries, to the piling up of unmanageable stocks which form both a source of weakness to the country that holds them and a menace to the rest of the world. The diversity of cropping in most parts of India has led to a comparatively quiet adjustment to changed conditions without elaborate schemes for restriction of production, or dangerous experiments for using public funds to finance surplus stocks. The striking restriction which was effected after the 1930-31 season in the jute area of Bengal is well known, but in the case of cotton also an adjustment has taken place aided partly by short crops and partly, though only to a regrettably small extent, by increased consumption by Indian mills of Indian cotton. To some extent, in certain cases such as sugar, Government policy has helped the agriculturalists to find profitable alternatives in money crops. Linseed is another important alternative crop for which possibilities of an increased outlet have been opened up by the Ottawa Agreement. In this case a fairly substantial increase in the area sown had been undertaken before the Ottawa Agreement was implemented, and the preference now secured in the British market may justify a further increase. Groundnuts, again, have provided

another alternative outlet, and this crop has become in Madras a moneycrop of first rate importance, and is becoming an alternative crop to cotton of growing importance in Bombay and Berar. Where export facilities have been lacking for a particular crop and alternative export crops have not been possible, there has been a spreading over into miscellaneous crops for local consumption. In the case of Bengal, where the main reduction in the jute area occurred before last year, it has been possible to examine conditions fairly closely, and there the alternative crops were mainly rice, maize, millets, smaller pulses, and to some extent sugarcane. It is difficult to trace exactly the complete economic effects of these adjustments, but one conclusion is probably justified, and that is that the poorer classes and particularly the wage-earning classes whose wages have not been reduced proportionately to the fall in values of local food produce, are at present being better fed than ever before. Thus some advantage at least is gained.

If one turns to the other side—the side of consumption—one gets the same impression of comparative stability, for here the power to draw on reserves has, as I have explained, resulted in a remarkably steady maintenance of consumption, in spite of increased duties, of the main necessities of the masses. In fact, by cutting off imports of precious metals and supplementing her purchasing power by drawing on her reserves of gold, India has been able to keep up her standard of living and her position as a customer for the goods supplied by the rest of the world to more nearly normal levels than most countries. In this way she has avoided an undue weakening of the position of her own potential customers, a result which has been further helped by the release of gold supplies to the world.

Simultaneously with all this the figures show a striking increase in investment by the poorer classes.

30. The result of this survey has seemed to us to justify the assumption for the purposes of our estimates that general conditions as regards consumption of dutiable articles may be expected, even without a striking world recovery, to remain fairly constant next year. But having stated this assumption it is necessary to add a note of warning. Neither the process of drawing on reserves, nor that of agricultural adjustments, can be continued indefinitely. As to the latter point, seeing that the contraction in export demand applies to practically all our export crops, the range of adjustment is comparatively narrow, and, if a further fall in purchasing power is to be avoided or minimised determined efforts are necessary both to make the most of every possible export outlet for our produce, and to supplant by local production imports of such articles as long staple cotton.

Further, in regard to both points, India remains as deeply interested as any other country in efforts to promote international co-operation and the recovery of world trade. If the present low levels as regards both prices and world demand for agricultural products were to become stabilised, very serious problems would have to be faced and it would be necessary for those responsible for governing India to take stock again of the whole position.

Effects of the general economic position on tax revenue.

31. I want now to show as briefly as possible how some of the broad phenomena which I have been describing appear when translated into revenue results.

32. As might have been expected from what I have said, revenue from salt, kerosine and cotton piece-goods has been very satisfactory for the current year.

[Sir George Schuster.]

We estimate salt revenue at 10·38 crores as compared with a budget estimate of 9·43 crores.

Kerosine import and excise duties are expected to produce 4·25 crores as compared with a budget estimate of 4·42 crores.

Cotton piece-goods import duties are put at 6·40 crores as compared with a budget estimate of 3·79 crores.

33. In the case of cotton piece-goods, however, we think it necessary to treat the imports for the current year as to some extent abnormal.

Quantities imported have shown a great advance, the yardage in the 9 months, April to December, 1932, being about 30 per cent. up on the same months in 1930 and about 70 per cent. up on 1931. That this is partly due to other reasons than the price factor is shown by the fact that the recovery has been shared by British goods, the average price of which has not fallen appreciably. To this extent, general causes—notably the waning of the boycott movement—must have operated; but it remains true that so far as Japanese goods are concerned, the very heavy fall in prices which followed on the depreciation of the yen has been the most important stimulus to the import trade. The result was a strong demand from the Indian mill industry for the exercise by Government of their powers of increasing the protective duty; and on August 30th, 1932 this was done, the duty on non-British goods being raised from 31½ per cent. to 50 per cent. *ad valorem*, with the minimum for plain grey goods raised from 4½ annas to 5½ annas a pound. By this time, the imports from Japan had been 257 million yards against 135 million in April to August 1931, with an average value of 2·3 annas a yard against 2·6 annas in 1931. But in this trade it is prospects and forward business that are most important; and that the action taken in August was timely is shown by the fact that the considerable imports which came forward in the following four months had an average value as low as 2·03 annas a yard or 78 per cent. of the 1931 average. The effect of the increase of duty, coupled with the fact that imports made or contracted for before it had been made must have left fairly large stocks in hand, has been a steady decrease in imports so that in January the duty taken on non-British piece-goods was only seven-tenths of that taken, at the same enhanced rates, in September.

34. In close connection with cotton piece-goods I must mention artificial silk goods and mixtures. In spite of the great enhancement of the duty (from 20 per cent. to 50 per cent. and 34½ths per cent. respectively) and in spite of a striking reduction in the value of Japanese goods, the total values of imports have increased.

We now estimate receipts from artificial silk goods at 130 lakhs for the whole year and mixtures at about 20 lakhs, as compared with earlier estimates of about Rs. 70 lakhs and Rs. 13 lakhs respectively.

35. Other special heads under which revenue receipts have been most satisfactory are the new duties on raw cotton and machinery. Our estimate of revenue from the duty on raw cotton is now 62 lakhs against our original budget estimate of 32 lakhs. Similarly, in regard to duties on machinery we now anticipate a revenue of 115 lakhs against our budget estimate of one crore.

36. As against these satisfactory results I must comment on the main heads where we have fallen far short of our estimates. Sugar is the most important item. In this case we now only expect an import of about 435,000 tons producing duties, including land customs receipts, of Rs. 7·80 crores

against the budget estimate of 550,000 tons and about 10 crores respectively. The development of sugar manufacture in India, though satisfactory in itself, is, as I have already noted, making a very serious hole in our revenue. The duty at present works out at something like 166 per cent. *ad valorem*, and it is therefore obvious that if purchasing power which was once put into sugar is diverted to some other commodity paying lower rates of duty, the revenue must be a heavy loser. If, for example, 1½ crores are spent on sugar machinery including the 10 per cent. duty, the revenue gets about 13½ lakhs. On the other hand if 1½ crores are spent on sugar including duty, the share of the revenue in the total purchase price is about 93 lakhs.

37. Silver, again, has failed to come up to our expectations, and it is clear now that we cannot rely on any appreciable imports of any precious metals as long as the present depression continues.

38. Motor cars and cycles have shown heavily reduced figures and we now estimate receipts at 60 lakhs only against 80·63 lakhs budgetted and actuals of 95·01, 72·31 and 63·20 lakhs in three previous years,—despite the increases of the rate from 20 per cent. in 1929-30, when the duty was 95 lakhs to 37½ per cent. in the current year. We have carefully considered representations that this is due to the operation of the so-called law of diminishing returns, but have not been able to satisfy ourselves that this is the case. The use of motor vehicles has not diminished in anything like the same ratio: our estimate for this year for the motor spirit duty (customs and excise) is 4,30 lakhs, equivalent to 258 lakhs at 6 annas a gallon which was the rate in force in 1929-30, when these duties yielded 298 lakhs. It is very obvious that apart entirely from any enhancement of duties, a period of acute depression will affect what I may call capital expenditure more than recurring expenditure, and this factor must be particularly noticeable with motor vehicles, the number of which on the road was probably excessive before the depression came.

39. Of the taxes on luxuries, the most important (apart from silk and artificial silk piece-goods) fall on articles which are such as I have just described as representing recurring expenditure,—that is to say, goods that are consumed on being taken into use. The principal such items are liquors, tobacco and spices and betelnuts. The yield of the tobacco duties which we now estimate at 125 lakhs, has been greatly reduced as a result, not of decreased consumption, but of the transfer to India of the manufacture of many brands of cigarettes that used to be imported: we still get the duty on such imported leaf as is used in making these brands, but that duty is much lower than the corresponding duty on cigarettes. Liquors are standing up pretty well: the heavy increases of duty and the general depression have reduced consumption heavily, but those very increases serve to bring up the estimated yield for the year to a figure not far short of the actuals in 1929-30 and 1930-31. Betelnuts and spices, which have a duty less severe in its *ad valorem* incidence, have been very successful items; any decline in imports has been much more than set off by the increase in duty rates and our revised estimate for these two heads is 76 lakhs against actuals of 46 and 37 lakhs in 1929-30 and 1930-31.

Analysis of Revenue and Expenditure estimates—1932-33 and 1933-34.

40. I have dealt at some length with certain important factors which have played a part in the current year's results because I wanted to make clear what sort of considerations we had in mind in framing our estimates and in deciding what proposals to put forward.

[Sir George Schuster.]

It must be clear from what I have said that to estimate revenue for next year—particularly customs revenue—is, in view of the completely uncertain and abnormal conditions, a task of quite unprecedented difficulty. Indeed I may say that accurate estimation is impossible. In these circumstances and for the reasons which I have explained, we have thought that the most reasonable course is to assume that the general position next year will be the same as for the current year, neither better nor worse, and in particular that India will be able to maintain the same purchasing power for commodities imported from abroad.

41. *Customs*.—The assumption, however, that the value of imports will be maintained does not necessarily imply that the value of the import duties will also remain the same.

I have already explained the special position as regards sugar, showing how the present development of the Indian industry is affecting our revenue. On these considerations we think it necessary to allow for a drop of one crore in receipts from the sugar import duties which will not be offset by any increase under other heads.

In regard to cotton piece-goods also, for reasons which I have explained, we think it necessary to regard the revenue from import duties—at least on Japanese goods—as to some extent abnormal and not likely to be repeated. Here therefore we have allowed for a drop of 30 lakhs.

As against these reductions we have thought it safe to count on a small revenue (25 lakhs) from silver imports—because having closed the gap in our land customs line on the Burmese frontier, through which a large trade in silver from China was suddenly developing in the course of the last year, we think it reasonable to expect a moderate resumption of dutiable imports.

Making allowance for these and other minor variations, our customs revenue estimates for next year are put at 51.25 lakhs showing a reduction of 104 lakhs from the revised estimates of the current year.

The position as regards net receipts may be summarised as follows :—

	Revenue (Lakhs).
Budget Estimate, 1932-33	52,31.27
Revised Estimate, 1932-33	52,28.55
Budget Estimate, 1933-34	51,24.60

42. *Income Tax*.—In our estimates for income-tax we are as in the case of customs making the assumption of a repetition of the current year's results. On this basis we should have receipts of 17.70 lakhs next year to which must be added 53 lakhs representing the tax on official salaries in regard to which the exemption hitherto enjoyed is, according to our proposals, to be removed concurrently with the reduction in the cut in pay which we proposed. The total estimate is thus 18.23 lakhs out of which it is reckoned that the 25 per cent. surcharge will account for 3.50 lakhs, and the tax on incomes below Rs. 2,000 for 70 lakhs.

The position may be summarised as follows :—

<i>Taxes on Income.</i>	Revenue (Lakhs).
Budget Estimate, 1932-33	18,73.38
Revised Estimate, 1932-33	17,70.00
Budget Estimate, 1933-34	18,23.00

43. *Salt*.—The results for the current year justify us in anticipating the continuance of consumption at the present level. We have, however, now exhausted the special temporary acceleration of receipts resulting from the extinction of the salt credit system which was one of the features of our emergency financial plan of September 1931. This produced a special addition to our receipts during the current year of as much as 150 lakhs. Allowing for the disappearance of these exceptional receipts, the net revenue from salt will be 7.58 lakhs.

The position as regards net receipts may be summarised as follows :—

	Lakhs.	Revenue.	Expenditure.	Net.
Budget Estimate, 1932-33	9,43.40	1,15.69	8,27.71	
Revised Estimate, 1932-33	10,38.00	1,14.77	9,23.23	
Budget Estimate, 1933-34	8,75.00	1,16.96	7,58.04	

44. *Opium*.—The revenue under this head is being gradually reduced owing to our declared policy of reducing exports. It is also subject to unexpected variations from year to year due to changes in the actual requirements of Foreign and Colonial Governments within their allotted quota. This latter factor accounts for 34 lakhs out of the drop of 38 lakhs in the revised estimate.

The position as regards net receipts may be summarised as follows :—

	Lakhs.	Revenue.	Expenditure.	Net.
Budget Estimate, 1932-33	1,32.63	71.62	61.01	
Revised Estimate, 1932-33	94.92	86.36	8.56	
Budget Estimate, 1933-34	1,20.05	57.36	62.69	

45. *Service of Debt and Finance heads*.—It will be convenient if I deal with the service of Debt and the other Finance heads together.

In the first place, as regards interest payments, the reductions shown are satisfactory, namely, 204 lakhs as compared with 1931-32 and 51 lakhs as compared with the revised estimate for 1932-33.

6 P.M. I must however explain that the full result of the conversion operations recently undertaken is not yet revealed. The results indeed of the latest operation were not known at the time our estimates had to be compiled; but apart from this there are other special reasons. Although our main conversion scheme has been directed to substituting one form of permanent debt for another, the process has been a continuous one which is not yet completed, and the first actual result in the current year has been to reduce treasury bills held by the public and the Paper Currency Reserve by approximately Rs. 34 crores. Current rates for treasury bills had fallen so low that this aspect of the conversion actually represents, initially at least, an increase in the interest charges. It must be remembered, however, that this large reduction in our treasury bill outstandings is not only a sound operation in itself, but by strengthening the Government position enables it to reduce interest rates both for the remaining volume of treasury bills and for its permanent debt.

A second point which I have to make in explaining the effect of the conversion operations is that the Government of India is not mainly a borrower on its own account. The great bulk of the borrowings is undertaken for the Railways and through the Provincial Loans Fund for the Provincial Governments.

[Sir George Schuster.]

In the case of the Railways in respect of the whole of their capital outlay met otherwise than from specific railway loans we charge them the average rate of interest which we ourselves pay. The total amount of non-specific debt which enters into our calculations for working out the average rate of interest is, in round figures, 450 crores, and the total Railway capital outlay on which interest at the non-specific debt rate is charged is, in round figures, 300 crores. Any savings from conversion operations will therefore be passed on to the Railways to the extent roughly of two-thirds. Bearing these two considerations in mind, as the sterling loan and the four rupee loans floated during the current year almost exactly cover our total liabilities in respect of loans maturing, in the case of sterling in 1932-33, and in the case of rupees in 1932-33 and 1933-34, we can reckon that these maturities have been converted at an annual saving in interest of approximately 70 lakhs for the rupee loans and 9 lakhs for the sterling loan, that is to say, that when the temporary effect of the loss due to the reduction of treasury bills has passed away, the permanent saving to the railways will be in the neighbourhood of 53 lakhs, and to general revenues of 26 lakhs.

46. Apart from this it must be noted that the conversion operations only affect what we call our Ordinary Debt. As regards our so-called 'Other Obligations', although we have reduced the rate of interest on Post Office Cash Certificates from about 6 per cent. to $4\frac{1}{2}$ per cent., the results of this will only very gradually be felt, while in regard to the other heads, Post Office Savings Bank Deposits and Provident Funds, the interest rates which we allow are calculated on methods which will not show any immediate reduction. In fact, as regards the important head of Provident Fund balances, on which we are paying interest at over $3\frac{1}{2}$ crores annually, the rates which we allow will actually show a slight increase next year, because we work on the basis of the average rate of the preceding five years, and we are therefore just now dropping out years when the interest was lower than it was last year.

47. There is, further, another special head under which an increase has had to be provided, which offsets some of our other savings under interest payments, namely, interest on War Debt. The House will recollect that the so-called Hoover moratorium originally extended to the first of the two payments due for 1932-33, and that His Majesty's Government agreed, when the moratorium was first introduced, that as they were not making payments on the debt due from them to America, they would not themselves demand interest on the debt owing from India and the Dominions to them. The House also knows that the moratorium was not extended, and that His Majesty's Government met the full payment on the second instalment due in December last. His Majesty's Government have, however, agreed not to demand any payment due at the present time from their own debtors—India and the Dominions—pending a final settlement of the War Debt question. How that will be settled no one knows, but I hope that it will be in a manner which will bring relief to the debtor nations, for I believe that the world's trade cannot flow in its normal course, nor can any country settle down to normal economic life, so long as these huge international obligations continue as disturbing factors. For the present, however, we have to take account of the fact that the debts exist, and we have made provision in the current year for the second instalment of interest due in December, and for next year on the basis of a full year's payment. For the current year the instalment due, but not demanded, has been debited under the interest head and credited to a suspense account. The amount, however, for which we are making provision next year, has been reduced because we have thought

it reasonable to assume that, pending a comprehensive settlement of the question of War obligations in which India's War Loan liability will possibly be included, His Majesty's Government will at least give us the benefit of a reduction in interest rates corresponding to the reduction which they have achieved by converting the British 5 per cent. War Loan. At the same time we have made provision for repaying by equated annual instalments over a period of 20 years our War Loan liability outstanding at the end of the current year including the arrear interest for a year suspended under the Hoover moratorium. The combined effect of this last-mentioned provision and of the reduction of interest rates is that the full provision for next year is £658,800 against a liability of £836,000 under the original arrangement. I must point out however that for 1932-33 we have only had to provide for half a year's interest at the higher rate, namely, £418,000; so that under the new proposal interest charges are increased by £240,000 or Rs. 32 lakhs.

While we are making provision for this amount it must be noted that we are not allowing for any receipts under the head of reparations, for these remain suspended under the Lausanne agreement.

We can only hope that these matters will be settled in a fair manner during next year and that possibly the settlement may leave us in possession of a margin. This is one of the favourable possibilities for the future.

The net result of the factors affecting Interest payments, some of which I have just explained, is that interest charges show a net reduction of 2.04 lakhs as compared with the actuals for 1931-32 and 51 lakhs as compared with the revised estimates for 1932-33.

48. The other items which may be classified as 'Finance heads' are the provision for Reduction and Avoidance of Debt and the net revenue from Currency and Mint. Under these heads there is no striking change as compared with the revised estimates. The provision for Reduction and Avoidance of Debt is put at 688 lakhs for next year as compared with 684 for the current year. The amount is arrived at automatically according to the present convention which is well known to the House. An important point to note is that it is a substantially heavier burden now than it was in the period of prosperity from 1923 to 1928—in fact, it is $2\frac{1}{2}$ crores more than the annual average for that period.

49. As to Currency and Mint, the receipts under this head automatically go down when the rate on treasury bills falls. We are allowing for a net reduction of 61 lakhs as compared with the revised estimate for the current year.

50. It will be seen from what I have said that as regards Finance heads there is no great change compared with the revised estimates for the current year. Net interest charges are down by 51 lakhs, Reduction and Avoidance of Debt is up by 4 lakhs, and the net revenue from Currency and Mint is down by 61 lakhs. Interest receipts show a small decrease of 1 lakh. There is therefore a net deterioration of 15 lakhs.

51. *Commercial Departments.*—I now turn to the remaining important factor—receipts from Commercial Departments. So far as the Railways are concerned I need say little. We take credit in our budget for full interest payments, although, as the Honourable Member for Railways has explained, these can only be met by trenching on the unspent balance of the allocation for depreciation.

[Sir George Schuster.]

As to the Posts and Telegraphs, the position remains, I fear, unsatisfactory. The net loss on working account, which has to be carried in our budget, for next year is put at 57 lakhs as compared with about 48 lakhs in the revised estimate for the current year. This increase of 9 lakhs in the loss allows for an extra charge of 27½ lakhs on account of pay due to the proposed reduction in the cut and 15 lakhs on account of increments. As a small increase of 8 lakhs in revenue has also been assumed, net economies of 25 lakhs have accordingly been achieved in other directions.

52. *Expenditure position.*—Having thus dealt with the position as regards Tax revenue, Finance heads and Commercial departments, I must now turn to consider the main heads of expenditure, Civil and Military. It is this expenditure which above all needs careful watching, and I have no doubt that, now that our main retrenchment campaign is concluded, Honourable Members of the Legislature will feel it to be especially their function to satisfy themselves not only that we have carried out our promises, but also that we are not relaxing our efforts to achieve economy. With that I entirely agree, for I have always taken the view that the pressure for economy must be continuously applied and should not be allowed to become a process of violent energy at one moment to be followed by a period of lassitude and relaxation continuing until a new emergency arises. If, in giving an account of the present position, I am led into very small details, that is a reminder of the fact that it is only by painstaking attention to every detail that expenditure can be controlled.

53. *Civil Expenditure, 1932-33.*—The budget estimate of Civil expenditure for the current Year (1932-33), i.e., excluding military expenditure, expenditure on Commercial departments and Debt services, was 20.65 lakhs. Our revised estimate now gives the figure as 20.89 lakhs. There is thus an apparent increase of 24 lakhs. But a closer examination shows that this increase does not denote any increase in real expenditure, and, indeed, that the economy in recurrent expenditure has been greater than that which we promised. The figure of expenditure as shown in our accounts has had to be increased because special items amounting in all to 68½ lakhs, but the great bulk of which do not denote real expenditure, have had to be included.

54. I can classify these items as follows:

(a) Items which merely appear under expenditure heads in the accounts, but are not expenditure in the ordinary sense. These come to a total of 40½ lakhs. The details are as follows:—

- | | |
|--|-----|
| (1) Increase in the share of Customs revenue payable to the Travancore and Cochin Darbars. This is unavoidable under the terms of the agreement. It is not really expenditure, but rather a deduction from revenue | 2 |
| (2) Extra payments under Opium. This is necessitated by the fact that the yield of the crop was unexpectedly high. The opium has to be purchased from the cultivators, but of course the cost will all be subsequently recovered | 15½ |
| (3) Increased expenditure on fumigation of imports of American cotton. The whole of this cost is recovered | 3½ |
| (4) Carry-forward of certain expenditure from 1931-32 to 1932-33 (Aerodrome works at Juhu and cost of currency note forms) | 3½ |

- | | |
|---|----|
| (5) Increase in the net expenditure under Survey of India and the Indian Stores Department owing to short recoveries due to financial stringency and general trade depression. This item does not represent increased expenditure, but as the amount of this grant in the budget is the net amount after deducting recoveries, this net amount is increased if the recoveries are reduced | 4½ |
| (6) Payments to local Governments on account of re-allocation of leave and pensionary charges of officers lent by them to the Government of India and re-classification of certain other charges (port quarantine charges, etc.) as central | 11 |
- Most of this merely represents the discharge of a liability already accepted. The potential liabilities under this head are now practically exhausted.

(b) Special non-recurring items. These account for a total of 17 lakhs and are made up as follows:

- | | |
|--|--|
| (1) Provision for the annual Research Grant to the Imperial Council of Agricultural Research not included in the original budget. This grant was suspended as part of the economy measures. As, however, a surplus is available on the 1932-33 budget, it was decided to recommend a special grant out of this surplus to the Imperial Council of Agricultural Research, which will increase their balance to a sum sufficient to provide for the completion of all the projects which they actually have in hand. A motion for a supplementary grant to cover this item will be moved in due course. The regular annual provision of this 5 lakhs still remains suspended | |
| (2) Increased terminal charges on pensions including commutation payments. These charges in excess of our original estimates had, of course, to be met | |
- (c) Items of special unforeseen expenditure. These amount only the small sum of 11 lakhs. The following are the details
- | | |
|---|--|
| (1) Expenditure on staff and roads in connection with the Khirtar Canal colonisation scheme | |
| (2) Expenditure on account of the special session of the Legislature in November | |
| (3) Expenditure on account of the third Round Table Conference, the Ottawa Conference and the Capitulation Tribunal | |
| (4) Expenditure on repairs necessitated by flood damages | |
| (5) Other minor items | |

55. As the special items to which I have just referred amount to 68½ lakhs, and as the total accounts expenditure for 1932-33 shows, as I have explained, an increase of only 24 lakhs, it follows that under the other heads of real expenditure we shall have achieved during this year economies of 45 lakhs more than we promised. It may be remembered that in my budget speech in March last (paragraph 34) I stated that, broadly speaking, against a total retrenchment in expenditure of 499 lakhs recommended by the four civil

[Sir George Schuster.]
sub-committees, Government had achieved economies of 433 lakhs, or nearly 87 per cent., before allowing for terminal charges which the committees did not take into account. The results according to the revised estimate for the current year which I have just given show that the actual economies achieved in normal expenditure amount to 45 lakhs more than this, that is to say, to a total of 478 lakhs, or nearly 96 per cent. of the amount recommended by the retrenchment committees.

56. *Civil Expenditure, 1933-34.*—Turning to the estimates of expenditure under these civil heads for next year, I am glad to be able to report a still further improvement. As compared with the current year with its budget estimate of 20,65 lakhs and the revised estimate of 20,89 lakhs, the estimates for 1933-34 are 20,53 lakhs, that is to say, a reduction of 36 lakhs on the current year in spite of the following facts; first, that we have allowed for reducing the cut in pay to 5 per cent. thereby incurring extra charges of 28 lakhs on these particular civil heads, secondly, that we have to meet the normal increments in time scale pay which still involve an annual addition of something like 15 lakhs, and thirdly, that we have to meet new obligatory expenditure amounting to about 17 lakhs, the nature of which I shall shortly explain. If all these items are taken into account it will be seen that the total of the net reductions otherwise effected under the normal heads of expenditure amount to no less than 96 lakhs. Honourable Members may say that they are not concerned with this figure but only with the saving of 36 lakhs actually effected, but I have given these explanations in order to show how we are continuing the retrenchment effort and what a constant effort is required *merely to prevent expenditure from growing.*

57. I must now explain the nature of the items which go to make up the 16½ lakhs of new unavoidable expenditure as shown in the accounts to which I have referred.

- (1) Further increase in the share of Customs revenue payable to the Travancore and Cochin Darbars.

This, as already explained, is not really expenditure but a transfer of revenue under the existing agreement . . . 1

- (2) Additional expenditure on income tax staff in Bombay necessary in the interests of revenue . . . ½

- (3) Further expenditure on staff and roads in connection with the Khirtar Canal colonisation scheme . . . 1

- (4) Expenditure under Police on construction of police quarters and rearmament of police . . . 1

- (5) Increased charges under Political on account of re-equipment of police, maintenance charges of buildings, replacement of a motor-car, additional establishment for Gyantse Trade Agency and land compensation charges . . . 1

- (6) Grant for Sugar Research . . . 1½

- (7) Additional expenditure under Aviation for works and staff . . . 1

- (8) Cost of compilation of inter-provincial trade statistics . . . 2

- (9) Cost of new civil works, *viz.*, improving the roadway on the Jumna bridge and Sibi water supply scheme . . . 4½

- (10) Lump provision for the Joint Select Committee . . . 1½

- (11) Other petty items (including about ½ for meteorological facilities for Karachi-Madras air route) . . . 1½

It will be seen from this list that most of these items are beneficial expenditure. The largest of them—which I specially wish to mention—is a provision of 2 lakhs for improvement in our statistical records. This represents one step in a general plan for improving our economic intelligence organisation which we are now preparing.

58. *Military Expenditure.*—When I turn to the provision for the Military or Defence Budget the results are equally, or even more, satisfactory. For the current year (1932-33) allowing for the full effects of the 10 per cent. cut in pay, the net budgetary allotment was 46.74 crores. For next year the net expenditure provided for in the estimates, after allowing for an extra charge of 52½ lakhs due to the reduction of the cut in pay to 5 per cent. is 46.20 crores. That is to say although the pay bill is increased by 52½ lakhs the net expenditure is to be reduced by 54 lakhs. The further economies made therefore in other directions amount to 106½ lakhs.

59. It is necessary of course to point out that the provision now made is cut very fine, and that to some extent the reduction in expenditure progressively effected over the last five years is due to the fall in prices of commodities which the Army has to buy. The difference between commodity prices as taken for the present estimates, and those prevailing in 1928-29, represent a saving on the whole budget of about 1 crore. If prices were to rise again, as in the general interests of the country one must hope they will, obviously under this head charges would increase.

I must also point out that this budgetary provision includes no margin for unforeseen expenditure, or for the continuance of the re-equipment programme which was laid down in 1928 and which is still being financed (to the limited extent which is possible) from reserves accumulated under the stabilised military budget system which was then inaugurated.

60. Nevertheless, while these facts must be borne in mind, I cannot but feel that the reduction in the net military budget from 55.10 crores (including the Territorial Force grant) in 1929-30 to 46.20 crores in 1933-34 is a very satisfactory achievement. There are some ungenerous critics who, when they see large savings effected in public expenditure, are inclined to say that that only indicates how extravagant was the original provision. I must indeed confess that I make it my business, as Finance Member, to be perpetually telling the spending departments something very much on these lines. But, in the case of the economies effected in the last two years by the officers of the Army from the highest downwards, I know that a great part of their work has been, not the elimination of unnecessary or wasteful expenditure, but the giving up of cherished schemes destined to increase the efficiency of the Army or the amenities for the troops. They have given them up without rancour because they recognised the greater urgency in the public interest of preserving financial equilibrium during these critical times, and they have for this reason been wholehearted co-operators with the Finance Department in a task which I know has been most distasteful to them. The public interest can never be served properly without such co-operation. What I say of the Army is equally true of the other departments, and I hope that this Assembly will not deem it unfitting that I should take this occasion of expressing my gratitude to them for the part which they have played in our common effort to restrict public expenditure. (Hear, hear.)

61. *Expenditure Position. Summary.*—The net result is that as regards the two main fields of administrative expenditure—the Civil heads, excluding expenditure on Commercial departments and Debt services, and the Defence

[Sir George Schuster.]

budget—the budgetary provision for next year comes to a total of 66.73 crores as compared with a total of 67.63 crores for the current year. The total provision has thus decreased by 90 lakhs in spite of allowing for extra expenditure of about 80½ lakhs under both heads due to the reduction of the cut in pay to 5 per cent., and in spite of the normal and unavoidable growth of expenditure due to increases in the pension bill and to the increments accruing under the time-scale system on salaries, which involves an increased provision next year of about 20 lakhs.

I would before leaving this subject like to remind the House that the expenditure in these two fields which stands for 1933-34 at 66.73 crores amounted in 1929-30 to no less than 78.82 crores.

62. The explanations which I have now given show in what respects, our estimates for next year must differ from the revised estimates for the current year, although as I have explained, we have adopted as a foundation for next year's estimates the assumption that the general conditions of the current year will be repeated.

63. I may summarise the position as follows :

	Rs. lakhs.	
	Better.	Worse.
REVENUE—		
<i>Customs.</i> —(Reduction due to fall allowed for in imports of sugar and cotton piece-goods) . .	..	1,04
<i>Income-tax.</i> —(Increase due to removal of exemption from surcharge on Government servants) . .	53	..
<i>Salt.</i> —(Reduction mainly due to termination of temporary increase in receipts on termination of credit system)	..	1,63
<i>Opium</i>	25	..
<i>Finance heads.</i> —Net changes including additional expenditure of 1 on account of part restoration of cut in pay	..	15
<i>Commercial departments.</i> —Net revenue	..	11
<i>Miscellaneous.</i> —(Reduction of 30 due to no provision being included in next year's estimates for Gain by Exchange)	..	45
EXPENDITURE—		
<i>Military.</i> —	[Net reduction effected in spite of part restoration of pay cut costing 79½ lakhs under these heads as compared with the revised estimates. (This net reduction together with the reduction of 5 under Irrigation and Currency and Mint taken on the revenue side gives a total reduction of 90 as mentioned in para. 61)	
<i>Civil heads.</i> —		
	85	..
Total	163	338

64. As a result of the changes thus summarised the net deterioration for next year is estimated at 175 lakhs, and thus the surplus of 217 lakhs shown in the revised estimate for the current year will be reduced to a surplus of 42 lakhs.

The comparison between the two years may be thus summarised.

	Rs. crores.		
	1933-34. Budget.	1932-33. Budget.	Revised.
Revenue	124.52	129.96	127.13
Expenditure	124.10	127.81	124.96
Balance	42	2.15	2.17

BUDGETARY PROPOSALS, 1933-34.

65. These figures are arrived at after allowing for the proposals as regards pay which were announced in the communiqué of February 3, and without them we should, on the basis of the retention of all existing taxes, have shown an estimated surplus of 97 lakhs. That then is the position which I have to put before the House, and I must now explain what we consider to be the right policy in this position.

The cut in pay.

66. In the first place I must say something about the proposal as regards pay which as I have just explained has been allowed for in our estimates.

Before explaining the details as regards its financial effects, I want to clear up one point about our procedure. We regard this proposal as being an essential part of the budgetary plan. Its justification must depend on the budgetary position and cannot be discussed without full knowledge of that. In these circumstances the normal course, and the course which we should have thought right, would have been to make the announcement as part of the budget speech, so that Honourable Members might simultaneously know the whole position and the whole plan for which Government sought their approval. Unfortunately that course was not practically possible, because on February 3, the budgetary proposals for the Railways had to be put before the Standing Finance Committee for Railways, and it was impossible to do this without revealing proposals about the pay cut for Railway officials. We could not put forward the Railway Budget on a hypothetical basis, nor could we feel it right in the special circumstances of the present case to treat the Railway staff on a basis different to other Government servants. For this reason we were forced to announce the whole plan which we proposed four weeks in advance of the budget speech.

67. The precise financial effect of the present proposals has already been indicated as regards particular departments in my earlier remarks, but I think it well to summarise the position.

For the Central Government civil services, including the Posts and Telegraphs Department, but excluding the Railways, a restoration of the full cut in pay for twelve months would cost about 1,22 lakhs.

For the Army, taking the officers affected by our cut, it would cost 1,14 lakhs.

As under the original plan the 10 per cent. cut was to apply to all pay earned up to March 31, 1933, and as salaries are always paid on the first day of the month following that in which they are earned so that March pay is debited to the accounts only on April 1, there will in any case be one month

[Sir George Schuster.]

of the full cut included in the budgetary expenditure of the financial year 1933-34. Therefore any reduction in the cut for next year only affects eleven months' pay borne on the 1933-34 budget.

To reduce the cut in pay to one-half for eleven months means on the Civil side	55½ lakhs.
and on the Army side	52½ lakhs.
The total cost therefore is	108 lakhs.

As against this the Central budget will recover as a result of the withdrawal of the exemption of income-tax surcharges and the tax on incomes below Rs. 2,000 from Government officials—not only officials paid against the Central budget, but officials of the Railways and officials serving under the Provincial Governments—a net increase in income-tax receipts of

53 lakhs*.

The net cost of the proposal to the Central Government is thus

55 lakhs.

68. The considerations on which this proposal has been put forward by the Government of India are first, that it represents the maximum concession which the financial situation justifies, and secondly, that there are very strong reasons for going as far as the maximum which is justifiable. I do not propose now to go into all the arguments or to anticipate what may have to be said hereafter in the course of debate. I can explain Government's position in this matter very simply as follows.

69. In the first place I must recall what I said when introducing the original proposals in September 1931. We hoped then that the emergency with which we were called upon to deal was a temporary one, or at least that the degree of intensity which made the imposition of these extreme measures necessary would have passed by March 31, 1933. The cut in pay was thus definitely intended to be merely a temporary measure justified only by an extreme and, as we hoped, temporary emergency. It was essential to make this purpose clear, and I therefore stated as one of the main conditions that the cut

“should be of a temporary nature not extended beyond the need of the present exceptional emergency. Its justification is in the need for a common sacrifice in a national emergency.”

Further, in summing up the position, I again said :

“It must be clearly explained that there is no intention that they should remain operative beyond March 31, 1933. They will not be continued beyond that date without further examination of economic conditions.....”

We have acted exactly in accordance with the intention thus indicated. We have very carefully reviewed the economic conditions, and we have arrived at the definite conclusion that while we can take the risk of making some reduction, nevertheless an emergency continues sufficient to make it impossible to restore the whole of the cut.

*Note.—The actual increase in income-tax paid directly by officials is 67 lakhs, but the net gain is only 53 lakhs. The explanation of this is that, for special reasons, the value of the exemption in the case of Railway officials was previously being paid to Government by the Railway administration. This amounts to 14 lakhs, and of course when the Railway officials themselves pay the tax, the Railway administration will cease to make this payment.

That, then, is the first point which I must make, namely, that we regarded, and still regard, the cut as a temporary measure.

The second point is this, that we regarded a cut in the fixed pay of Government officers as an extreme measure only to be taken in the very last resort after the efforts of all other feasible measures for dealing with the situation had been exhausted. Obviously a measure which is thus only justified in the last resort ought to be the first to go when any relaxation is possible. On this point also I made our purpose perfectly clear in September 1931. I said, after expressing the hope that it would be possible in 1933 to relax the emergency measures :

“It is perhaps forecasting events too much to say in what order these reductions should be made. But there are certain principles which we consider must be observed. Relief must come first in restoring the emergency cuts in pay and secondly in taking off the surcharge on the income-tax now to be imposed.”

Therefore on this point also we are acting in accordance with our declared purpose.

70. Now in dealing with this matter I have to make our position clear both to those who may think we have gone too far in the present proposal, and also to those who may think we have not gone far enough.

I will deal with the latter first. To them I would say that we have acted exactly in accordance with our declared purpose and that we have gone to the maximum extent that we considered justifiable. It must also be remembered that in deciding our policy we had to take into account not only the budgetary position of the Central Government, but also that of the Railways in which we are directly interested, and, further, that of the Provincial Governments who might be affected by our example and whose financial troubles react upon both the Central Government as their bankers, as also generally upon the financial position of India as a whole. Taking into account these wider implications we felt it to be absolutely clear that we could not go further at present towards the restoration of full pay than the half measure which we have proposed.

71. To those who may think that we have gone too far, or that we ought not to have taken this step in priority to relaxation of measures of taxation, I wish particularly to emphasise that this must not be regarded as optional expenditure to be weighed in the balance against other possible demands on the public funds. Government is not really meeting its full obligations as long as it is not paying the fixed rates of pay of its officials—rates, moreover, which in certain cases are guaranteed by the Government of India Act. Government is therefore bound to regard the task before it as one of producing a balanced budget after including full pay to its servants. In fact there is only one criticism which we could regard as relevant and valid, and that is if it could be maintained that the proposed remission goes further than financial conditions warrant. In this connection I would remind them of one very important point which I have brought out earlier in my speech, namely, that in spite of the actual addition of Rs. 108 lakhs on the expenditure side which this proposal involves or excluding the Posts and Telegraphs Department 80½ lakhs, we are able to show a net reduction in the Civil and Military expenditure of Rs. 90 lakhs. This fact alone should answer many criticisms. Apart from that, as regards financial justification, the action now proposed must be judged by the results. What we hope is that conditions will so improve during the next year that it may be possible not merely to avoid retracing the step now taken, but to take the further step of restoring full pay and after that making a start in reducing

[Sir George Schuster.]

the burdens of taxation. Beyond the expression of such a hope it would be rash to go.

72. I may add one final point for consideration by critics who may think this proposal unduly favourable to the Services, namely, the significance of our having in our proposals coupled a reduction of the cut with the removal of the income-tax exemptions. We felt it to be important to get rid as soon as possible of the position in which Government officials were treated as a special class as regards taxation, and subjected to special burdens in lieu of some of the burdens of taxation falling upon ordinary citizens. Honourable Members who criticised our original proposals were always very ready to calculate the exact value of these exemptions. I trust that they will be equally ready to recognise what the burden of their removal means. For officials on the highest rates of pay it means that they benefit very little from the present proposal; in fact, for officers earning Rs. 1,500 per month and over, the surcharges amount to from 2½ to nearly 4½ per cent. The greater part of benefit is felt in the lower grades. The final result in any case is that Government officials are still subjected to a very special burden, for they have to suffer not only the heavy burden of ordinary taxation but are further penalised by a special deduction of 5 per cent. from their salaries.

73. There is one consequence of our proposals which must have struck all Honourable Members. So far as the net burden to the Central Government is, under these proposals, mitigated by the recovery of full income-tax surcharges from Government officials including those serving under the Provincial Governments, it may be argued on behalf of the latter that it is inequitable that we should thus for our own benefit convert a deduction which was formerly treated as a cut in pay into a deduction in the form of income-tax. We cannot admit that such a result would in any sense be improper, for it follows necessarily from the present constitutional position as regards taxation, and we would regard it as a very dangerous precedent to admit that the Central Government may have to give up the proceeds of taxes on the ground that they are borne by officers serving Provincial Governments. Nevertheless so long as an emergency justifying a cut in pay persists it must be admitted that the circumstances are exceptional, while, having regard to the sequence of events, it must be recognised that there is some ground for the feelings of Provincial Governments. We desire within the limits of our resources to take account of these special considerations, and if the financial results for the year prove that it is possible, we intend in due course to put before the Legislature proposals that, in the case of Provincial Governments that can satisfy us that they are in unavoidable deficit, special grants shall be made to them representing the amount collected during 1933-34 from the emergency income-tax increases now to be levied for the first time on the salaries of such of their officials as are still subjected to a cut in pay. Our estimates show that the total amount involved for all officers in the service of the Provincial Governments would be about 36 lakhs. If therefore our budget estimates are realised we shall be in a position to make these grants.

74. Having explained the considerations which guided us in making our proposals about the cut in pay, it will be fairly obvious to Honourable Members what our general policy in other matters must be. We have treated the restoration of the cut as our first objective, and the tentative step of partial restoration which we have proposed represents the limit to which we think it safe in present circumstances to go. Otherwise the whole carefully balanced framework of the financial plan which we introduced in September 1931 must

in our view remain undisturbed. The position is sound; the plan has worked and proved equal to the emergency; budgetary equilibrium has been restored. But the future is still dark with uncertainty. Some of us, and I am one of them, may feel hopes that an improvement is coming. But one cannot make budget estimates or frame financial policy on hopes. We are materially better off than we were in September 1931 in the sense that we have got the measure of our difficulties and proved that our structure is strong enough to stand up against the storm, at least as hitherto experienced; but there could be no more fatal folly than to weaken that structure before the storm is over, and thus jeopardise all the success which has been achieved.

75. We therefore think that the structure must, at least until things are clearer, remain unaltered, and I have accordingly no remissions of taxation to propose.

76. We have considered very carefully whether in any cases of customs duties a point of so-called diminishing returns has been reached, but I am quite satisfied that there is no class of ordinary imports in regard to which a reduction of the duty would so stimulate the demand as to produce an increase of revenue. I have little doubt that in the course of the budget debate questions of this kind will be raised, and I can defer a statement of the evidence in regard to any particular item until then. We have given special consideration to two very high import duties, those on silver and sugar. As to silver, it might perhaps be argued with greater force than in the case of any other article that a reduction in the duty might stimulate consumption, or at least that, as we are recovering so little duty now, we could afford to risk the experiment. If revenue were the only consideration there is doubtless a good deal in the argument. But we had to take other considerations also into account. The internal price, which affects many classes in India, depends on the rate of the import duty, and any lowering of that would have had a disturbing effect. On the whole we thought it to be in the public interest not to introduce disturbing factors of that kind just now.

In the case of sugar it is essential to remember that the present rate of duty is substantially higher than the maximum protective duty recommended by the Tariff Board. It is conceivable that a lowering of the duty might in this case stimulate imports of foreign sugar. But just at this moment many new factories are being started and for that reason one must hesitate to make any sudden change. On the other hand it would be highly imprudent for those who are investing money in the sugar business to forget that present conditions are more favourable than those on which, according to the recommendations of the Tariff Board, they have any right permanently to rely. For this reason a due proportion of the profits that are earned on the present basis ought to be accumulated as reserves, for no right can become established to a continuance of the present position.

77. As regards Taxes on Income, we deplore as much as anybody the necessity for a continuance of the present rates, but all that we can promise, and this we do most sincerely, is that they will not be continued longer than is necessary and that all our efforts will be directed to keeping down expenditure, and to preparing in other ways for a lightening of this particular burden.

78. While our general plan is, as I have explained, to stand on our present position without weakening any part of it, there are three proposals of minor importance which are included in the Finance Bill and which I must now explain.

79. The first two are changes in the import duties on boots and shoes and artificial silk goods which can be described as revenue measures with a

[Sir George Schuster.]

protective significance. Their justification really depends on a combination of these two qualities.

80. Special taxes, going beyond the ordinary 25 per cent. surcharge, viz., a specific minimum duty on boots and shoes and enhanced rates of duty on artificial silk manufactures, were imposed on these two classes of articles in the Emergency Act of 1931, and these have proved excellent revenue producers. We estimate the yield from the duty on boots and shoes during the current year at Rs. 27 lakhs, while the year's yield from artificial silk manufactures may be roughly estimated at nearly 1½ crores. In the revenue estimates for 1933-34 I have assumed that these two taxes will bring in as much revenue next year as in the current year, but it would not be safe to reckon on such a result if the duties were left unchanged. I will explain the reason for this.

81. First, in the case of boots and shoes, establishments have been set up in India for the production of shoes made from imported canvas uppers and imported rubber soling sheets. Both of these constituents pay duty at no more than the standard revenue rate, and the result is that by this very simple process of merely assembling in India what are really foreign manufactures the amount of duty paid by importers is very greatly reduced. The Bill proposes, therefore, to apply to uppers for boots and shoes a minimum specific duty at half the rate applicable to complete boots and shoes. This will do much to safeguard the revenue, while it will at the same time leave some slight margin of advantage to the local assembly plant as compared with the importer of the complete article. Leather uppers, which in any case could not be cheap enough to fall within the scope of the minimum specific duty, are excluded for the technical reason that the *ad valorem* duty to which they are liable is, owing to the operation of the Ottawa Trade Agreement, different from that applicable to other uppers.

82. I now come to the second group of proposals which relate to artificial silk goods and to mixtures in which either silk or artificial silk may be included. The existing rate for mixtures is, owing to the operation of surcharges, 34½ths per cent. This item was introduced as providing an intermediate rate between that applicable to silk and that applicable to the other textile ingredient, whatever it may be, with which the silk is mixed. With the raising of the duty on non-British cotton piece-goods to 50 per cent. by the notification of last August, a new situation has been created, for manufacturers of such goods can escape this special duty by introducing at a trifling expense a very small quantity of silk or artificial silk into the warp or weft of cotton goods, and thus secure assessment at the lower rate of 34½ths per cent. applicable to mixtures—a result which would not only involve loss of revenue but would impair the operation of the protective policy of the Government. We have rejected a proposal that the mixed rate should be raised to 50 per cent., since that would be unfair to all the remaining classes of silk or artificial mixtures where the duty is still an intermediate one, and have resorted instead to the device of a minimum specific duty.

83. While a change in the duty on mixtures has been necessary for these reasons, it has also appeared desirable to us to guard against any falling off from the very satisfactory revenue that we have been receiving from the higher *ad valorem* duties on pure artificial silk goods, the imports of which are 99 per cent. Japanese. Such losses might occur either through a further fall in prices of Japanese goods, or through a decline in the volume of imports. We are also not able to leave out of consideration the possibility that to some extent competition of these goods, no less than of mixtures, when imported

at very cheap rates, may impair the effectiveness of the special protective duties on cotton piece-goods. Here again merely to raise the *ad valorem* rate would not only be a dangerous device from the revenue point of view, but would also be unfair to the manufacturers of the more expensive article in countries other than Japan; and for both these reasons we have in this case also resorted to the device of a minimum specific duty.

84. The duties which we propose in both these cases have been carefully worked out in the light of the objectives to be attained, and they are 4 annas per square yard for pure goods and 2 annas 3 pies for mixtures.

(I may here note that in the case of both these proposals no distinction is made between silk and artificial silk. I have already explained why this must be so in the case of mixtures. In the case of pure goods, although the arguments in favour of imposing the specific duty for pure artificial silk goods do not apply to pure silk goods, nevertheless in practice it is highly unlikely that the duty which we have proposed will ever come into operation with silk goods; while it is desirable on administrative grounds to maintain the duty on silk goods and artificial silk goods at the same level. We are therefore nominally extending the minimum to silk goods also. We do not think that these specific duties should be applied to fents, which, as in the case of cotton fents, will remain liable to the ordinary *ad valorem* duty.)

The value per square yard of the classes of piece goods concerned can only be estimated, since the trade is recorded in linear yards, but on the best estimate that can be made we calculate that with present prices the *ad valorem* incidence of the proposed duties will, in the case of pure artificial silk goods, be 100 per cent. on the Japanese and from 26 to 32 per cent. on others; while on silk and artificial silk mixtures the average incidence will be 47 per cent. on Japanese goods and from 32 to 36 per cent. on others. In regard to mixtures I would remind the House that we are here mainly concerned with a possible abuse of the mixture definition so as to pass off what should really be called cotton goods as mixtures, in which case the *ad valorem* incidence of the specific duty would be very much higher.

Finally, I may say that we are making one more slight change and taking this opportunity to round off to 35 per cent. the present duty on mixtures, which, owing to the operation of the two surcharges, has reached the uncomfortable figure of 34½ths per cent.

85. The last of the three small changes which, as I have explained, we are proposing in the Finance Bill is designed to benefit not the Central but Provincial revenues. The House will remember that the stamp duty on cheques was abolished with effect from the 1st July 1927 on the recommendation of the Currency Commission of 1926. It was hoped that the abolition of the duty in India would lead to a wide adoption of cheques as a means of payment and thereby to a desirable encouragement of the banking habit. The actual results, however, have not been encouraging, and from enquiries made the Government of India believe that the remission of the duty has not had much effect. The report of the Indian Central Banking Enquiry Committee tends to confirm this belief, as it found that the most serious obstacle to the growth of the cheque habit in the country was the illiteracy of the people. We therefore felt that we had no strong grounds on which to resist the demand which has been pressed upon us by various Provincial Governments that the stamp duty should be reimposed in order to help their revenue, and we have accordingly somewhat reluctantly agreed to propose a reimposition of the duty for a limited period of three years. In order to allow due notice to banks and the public the change will, according to our proposal, only come into effect on the 1st July 1933. A provision for this purpose is included in

[Sir George Schuster.]

the Finance Bill. The legislation must be central but the proceeds will be divided among the Provinces. We estimate that the proceeds in a full year will be about seven lakhs of which the greater share will go to Bombay and Bengal.

86. *Ways and Means*.—I must now turn to a review of the Ways and Means position for the current year and the next.

The outstanding features of the year have been the sensational improvement in our credit both in England and locally, which enabled us to fund a much larger amount of our loan commitments than appeared possible when I made my budget speech last year, and the strengthening in our currency reserves which has been possible as a result of the improvement both in our credit and in sterling exchange.

87. I will deal first with the latter. In my budget speech for 1932-33 I showed that one of the first sequels to the currency policy adopted in September 1931 was a large demand for currency in India. This currency had to be supplied, and though we were able to effect large purchases of sterling we decided that in the first instance the additional currency should be provided by the creation of *ad hoc* treasury bills, and that the sterling should be used for other purposes, such as the liquidation of our immediate loan liabilities in London. In this way we effected a net expansion of 35 crores against treasury bills. At the same time, I indicated that if in the current year we obtained more sterling than was necessary for supplying the requirements of our Home Treasury and the repayment of sterling loans falling due, the surplus would be used to strengthen our sterling currency reserves. This policy has been carried out and sterling securities have been substituted on a large scale for Treasury bills, the net reduction of the latter so effected during the year amounting to 14.39 lakhs.

I have already dealt with this question in my broader survey of the position as regards gold exports.

88. *Loans*.—In my last budget speech I anticipated that it would be possible to reduce the amount of treasury bills held by the public by about $7\frac{1}{2}$ crores from the current resources, and that we should not have to raise any loans during the year except to meet our maturing liabilities. I indicated, however, that if conditions were favourable we should take the opportunity by loan issues to strengthen our position and in particular to fund as much as possible of our floating debt. The continuous rapid improvement in our credit enabled us to float no less than one sterling and four rupee loans at rates which improved from over $5\frac{1}{2}$ per cent. to something below $4\frac{1}{2}$ per cent. The results of the latest conversion loan operation are not yet fully known, and when the estimates had to be completed early in February we could only work on guesses as to how much would be converted. For the purpose of the printed estimates we have assumed that Rs. 22 crores would be converted, and I have had to work out all my figures on this cautious assumption, though this amount had actually already been reached by February 21st. If I assume a higher figure, say, 30 crores, the position is that against an originally estimated discharge of permanent debt of $26\frac{1}{2}$ crores during the year we shall be able to discharge nearly 78 crores, and in addition to reduce the treasury bills outstanding with the public by 19.53 lakhs as compared with our original estimate of 7.51. When the discharge of *ad hoc* treasury bills, to which I have already referred, and the repayment of Ways and Means advances are included, this means that during the current year we shall have been able to fund immediate liabilities to the huge amount

of 121 crores, as compared with a budget estimate of 34. The bulk of this has been converted into regular loans for which the obligatory maturities range from 8 years in the case of the first loan issued last year, to 37 years in the case of our latest conversion scheme. The details of these loans are as follows :—

REVISED, 1932-33.							
<i>India.</i>							Rs. lakhs.
4 per cent. 1943	.	.	.	.	.	.	14,67
4 per cent. 1939-70	.	.	.	.	.	.	30,00
5 per cent. 1940-43	.	.	.	.	.	.	24,68
5½ per cent. 1938-40	.	.	.	.	.	.	18,76
							88,11
<i>England.</i>							
5 per cent. Stock 1942-47	.	.	.	.	.	.	12,67
Total							100,78

89. Our general programme has also been helped by exceptionally large receipts from post office cash certificates and savings bank deposits. Though the cheapening of money rates has enabled us to reduce the yield on the former from 6 per cent. to $4\frac{1}{2}$ by two stages, the latter becoming operative on January 1, on which date most banks in India also reduced their rate of interest on deposits, no less than 14.35 lakhs was obtained from these two sources, as compared with the budget estimate of 7 crores, and an average of less than $5\frac{1}{2}$ crores for the 5 years from 1926 to 1931. I want to direct particular attention to this result on which I have already commented in my general review of the economic position.

90. *Capital Expenditure—Railways*.—The Railway capital outlay in the current year is now estimated to be 81 lakhs as compared with 4.15 lakhs estimated in the budget—this reduction meaning an improvement of 3.34 lakhs in our Ways and Means position. As against this, the results of normal operations have made somewhat heavier demands on our Ways and Means position than was anticipated. The gross receipts continued to be disappointing, though the fall was largely offset by increased savings in working expenses.

The net result is that a loan of 934 lakhs had to be taken from the depreciation fund as compared with the estimate of 759 in the budget. In this connection, however, I must point out that the accretion to the depreciation fund during the year was 815 lakhs so that the effect of this loan is to reduce the fund by only 119 lakhs, from 14.86 to 13.67.

91. *Provincial drawings*.—The provincial drawings have been much less than was anticipated when framing the budget, amounting to 564 lakhs as compared with 10.62, this being the effect of the policy of the drastic restriction of advances from the provincial loans fund to capital works already in hand, and the curtailment of these as far as possible. Unfortunately, though the position of some Provinces was better than anticipated, others, particularly Bengal, have had again to face heavy deficits.

92. *Revenue surplus*.—It is estimated that the revenue surplus will be 217 lakhs as compared with the 215 lakhs originally budgeted for.

[Sir George Schuster.]

NEXT YEAR 1933-34.

93. *Capital Expenditure.*—I shall have something to say in my concluding remarks as regards our general policy of Capital expenditure and the possibility of expansion in the future. But whatever change in the direction of a more expansive programme we may hereafter feel justified in considering, it is not likely to have appreciable effects as regards expenditure in the coming year. For the purpose of the estimates we are including provision for Capital expenditure of 330 lakhs on the Railways and 424 lakhs for loans to the Provincial Governments.

94. *Borrowing programme, 1933-34.*—With this reduced capital programme I estimate that it will be possible to effect a further reduction of 8 crores in our outstanding treasury bills and still have approximately 17 crores available to meet our maturing loan liabilities apart from what we may obtain from fresh borrowing. This is clearly a very strong position. In making this estimate I have allowed for the possibility of drawing to the extent of about 11 crores on our sterling balance with the Secretary of State. Owing to the very large figure at which this balance now stands, such a reduction would be quite legitimate. Apart from this I have allowed only for receipts to the amount of 840 lakhs from savings bank and cash certificate receipts. This is of course very substantially less than the estimated figure of 14.35 lakhs in the current year. I have allowed for this decrease because of the reduction in the rate of interest to 4½ per cent., but this form of investment has now so thoroughly popularised itself throughout India that it is not at all improbable that our budget estimate will be materially exceeded.

95. Against these resources of 17 crores our maturing loan liabilities are of very modest dimensions. We have the option of repaying the £7 millions 6 per cent. sterling 1933-35 bonds, and we shall have to deal with any portion of the rupee loans of 1929-47, 1933 and 1933-36 which is not converted. On the assumption that 30 crores of the latter are converted, we shall only require to raise a loan of 4 crores in India, and on the assumption that we repay the £7 million sterling loan, we should require to raise only £6 million equivalent to 8 crores in London. These figures, however, cannot be regarded as more than tokens. If conditions are favourable in London we might issue a larger loan and use the proceeds for strengthening our sterling currency reserves, or to repay £10 million 6 per cent. 1933-34 Bonds which we have the option of repaying on the 15th December. If the conversions on our present scheme are larger than 30 crores, the loan liabilities in India will be so much less, and we may proceed further with the funding of treasury bills.

One important point to note is that according to these estimates, and without any further loans, the treasury bills outstanding with the public will, on our present estimates, be reduced to the comfortable figure of 28 crores by March 31, 1933, a very satisfactory reduction from the 84½ crores outstanding at the end of August 1931.

96. *Home charges.*—Exchange was very steady throughout the year, and large purchases of sterling were made from the middle of August. The estimated purchases for the year are approximately thirty-nine million pounds. In addition, £715,000 was taken over from the Calcutta Port Trust, being the balance of a sterling loan floated by them. Our requirements for the year were £24 millions so that the balance of approximately £15½ millions was available for strengthening our currency reserves, which I indicated in my last budget speech as the most appropriate use to which they could be put. I estimate that our closing balance in London this year will be £13,400,000, as compared

with £15,900,000 last year. This is still a large figure, but I consider it advisable to adhere to it, as an alternative source from which we can meet our sterling loan maturities should this prove preferable to sterling borrowing. On the assumption that we float a sterling loan of six millions, this means that the sterling which we will have to purchase in 1933-34 will be £21 million, and if further remittances are obtained, it will probably prove best to devote them, as in this year, to the further strengthening of our sterling reserves.

97. The position which I have thus explained may be summarised as follows; but I must repeat that this summary is compiled on the assumption that only 22 crores will have been taken up under the February conversion scheme. If the results are different from this the figures as regards rupee loans, both for the current year and next year will be substantially altered.

<i>Liabilities.</i>			
	Budget, 1932-33.	Revised, 1932-33.	Budget, 1933-34.
Railway Capital outlay	4.15	.81	3.30
Other Capital outlay	1.50	1.52	1.23
Provincial drawings	10.62	5.64	4.37
Discharge of permanent debt	26.56	69.48	37.10
Discharge of treasury bills—			
(a) with the public	7.51	19.53	8.00
(b) in the Paper Currency Reserve	..	14.39	..
Repayment of Ways and Means advances	..	9.50	..
Loans and advances by Central Government	.26	.76	.72
Other transactions	.06	1.53	—2.53
	50.66	123.16	52.19
<i>Resources.</i>			
Revenue surplus	2.15	2.17	.42
Rupee loans (net)	14.50	80.11	12.00
Sterling loans (net)	8.00	12.67	8.00
Post Office cash certificates and savings bank	7.00	11.35	8.40
Other unfunded debt	4.71	3.67	4.96
Appropriation for reduction or avoidance of debt	6.82	6.84	6.88
Depreciation and Reserve Funds	.52	— .91	— .20
Reduction of cash balances	6.96	4.26	11.73
	50.66	123.16	52.19

[Sir George Schuster.]

98. I have endeavoured to give the House a fair appreciation of our present position. I fear that I have taken a great time, but even so it has only been possible to touch superficially on many important points. In the field of finance the outstanding features of the year under review are, first, the re-establishment of budgetary equilibrium, secondly, the great improvement in Government credit which has completely transformed the market for Government securities, thirdly, the creation of cheap money conditions.

99. I want to say a few final words on the last two points which are closely connected. If we turn our memories back eighteen months ago to that day in September 1931 when I had to introduce the emergency financial plan, the transformation is indeed marvellous. At that time $3\frac{1}{2}$ per cent. paper in India stood at 53; now it stands at about 82; Indian $3\frac{1}{2}$ per cent. sterling securities stood at 46; now they stand at about 89. The 1960-70 4 per cent. loan of which we hope to place about 30 crores on our present conversion plan and which stands at about 94 then stood at 62, and at that time the idea of placing a long term loan on any terms would have been utterly impossible. Eighteen months ago the bank rate stood at 6 per cent., today it stands at $3\frac{1}{2}$ per cent. and I would remind the house that at least as far back as I have been able to trace, that is for 29 years back to 1904, the bank rate at this time of the year has never stood below 6 per cent.

Eighteen months ago we had a floating debt of Rs. 84 crores; today it is reduced to 35 crores. Now in all this we have obviously been helped by world conditions, and of course cheap money is to some extent a sign of low industrial and commercial activity. But making every allowance for these factors, the transformation in our position would have been quite impossible unless our own budgetary policy had been sound.

100. The maintenance both of Government credit and of cheap money conditions is dependent on the maintenance of a sound budgetary position, for if Government were to start meeting its current needs with borrowed money, we might not only become unable to borrow that money at cheap rates, but it might also be necessary to raise the bank rate in order to protect the currency position.

101. I wish, moreover, to emphasise how vitally important it is in the interests of commerce and industry to maintain both these conditions of high credit and cheap money. Indeed, the one hope amid the present depression is that the power to raise long term loans at low rates of interest will provide a stimulus for the revival of capital expenditure; and that is the only sound way by which an exit can be found from the present depression. I know that many people hold that the present high rates of taxation, particularly of income-tax, are crushing industrial enterprise; but I would put it to them that nothing is more likely to damage business than a premature relaxation of our present measures leading to difficulties and unsoundness in public finance. For this again would lead not only to a loss of Government credit and a rise in the general rates of interest, but would almost certainly make it necessary in the long run to reimpose taxation at higher rates in order to recover the lost ground. If, on the other hand, the Government keeps its position strong, and if, as a result of the confidence thus created, the public become ready to invest in long term securities at low rates of interest, that offers hope of an industrial revival which will soon make it possible to reduce taxation. There is no other sound remedy for the present disease.

102. Let me say also a few words as to Government's own policy in these matters. We believe that the time is coming when our own position will be

so strong that we can safely contemplate relaxing the restriction on capital expenditure which we have had to impose during the last few years. With the success of our conversion schemes we are gradually approaching a period when we shall be entirely relieved of the embarrassment of having to meet heavy loan maturities each year. Once that stage is attained we shall require to raise only a very small amount of money from the public each year in order to support quite a substantial programme of capital expenditure.

103. But there are certain conditions which will very definitely govern our action.

In the first place we must adhere to the policy of not regarding any schemes as suitable objects for capital expenditure which are not economically sound and productive. In the second place we do not intend to launch out into any programme on a scale which is likely to depress the market for Government securities by putting us in the position of having to ask the investing public to subscribe more money than it has readily available for investment. We are approaching a period when there is more money for investment in Government loans than we require to raise. That is a very healthy change of conditions from those of the past few years and we do not intend to disturb these new conditions.

104. As regards the outlets for capital expenditure, these again must be carefully chosen. Contrary to the general public impression, it does not appear that there are any very urgently needed railway extensions or railway works, for in spite of the restrictions of the past few years, the railways have kept fairly well abreast of current needs. Railways, moreover, must no longer be treated in isolation; they must be regarded merely as one part of a general system of transportation and communications, of which roads also are a most important feature. At the Conference on Road and Railway policy which is to be held at Simla on April 24, as announced by His Excellency the Governor General when he addressed the Assembly at the opening of this session, we shall consider the whole problem of financing road development. Whether any immediate opening for sound capital expenditure can be found in connection with roads I cannot yet say. All that I can say is that the time has come when we think it right to give these matters our active consideration.

105. In the matter of our future policy as regards conversion schemes and funding operations, I cannot of course announce any precise plans. We have proceeded so far step by step, and at each step we have raised the level of securities and given to the investors concerned an opportunity to convert their holdings in a manner which has left them a good margin of profit. I have every reason to anticipate that this process will continue, for I believe that, subject always to the maintenance of sound Government finance, we have before us a long period of cheap money and the possibility of seeing securities reach a substantially higher level. In this policy we are looking not merely to the immediate, but also to the more distant future. We feel that with the new constitution approaching we have a special duty to prepare the way, so that the first years of the new Government may be freed from embarrassment. In particular, we desire to consolidate the position so as to make it possible to start a Reserve Bank on sound foundations.

106. And that brings me to the last thing which I have to say. I fully realise that the budgetary plan which I have just announced is not of a nature to stir enthusiasm. It involves a continuance of the grim effort which has been sustained during the past eighteen months. But if Honourable Members look round the world, they will, during the next few weeks, see the Finance Ministers in every country which believes in sound finance introducing budgets very much of this kind. If they dislike the continuance of this effort, I am

[Sir George Schuster.]

sure they will appreciate that I dislike it equally, and that it must be a very great disappointment for me, on this occasion of the last budget of my five-year term, not to be able to take for the first time the pleasant path of relaxing burdens of taxation. But I have felt it necessary to take the harder path; and I have at least this consolation. When I first took office, though the rest of the world was still booming, it became apparent to me very early that India was faced with special difficulties, and was destined for a period both of constitutional uncertainty, and of borrowing to meet past commitments, which would inevitably reduce her credit. But today we have recovered from all that and I think we may feel that India, amidst a world which is floundering in the gravest trouble and distress, has reached a position in regard to her public finance which challenges comparison with that of any other country. That we have been aided both by special fortune and by the strong reserve resources of the Indian people in attaining this position, I should be the first to admit. But that, while it does not diminish the value of the position, only strengthens the obligation which rests upon us to make the utmost efforts to maintain it. I would appeal to the House to support us both in those efforts and in the fulfilment of what is now our guiding purpose—the purpose of leaving to the new Government of India a house well stored and buttressed against all the storms which it may encounter. (Loud Applause.)

THE INDIAN FINANCE BILL.

The Honourable Sir George Schuster (Finance Member): Sir, I beg to move for leave to introduce the Indian Finance Bill, 1933.

Mr. Chairman (Sir Hari Singh Gour): The question is:

“That leave be granted to introduce the Indian Finance Bill, 1933”.

The motion was adopted.

The Honourable Sir George Schuster: Sir, I introduce the Bill.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 1st March, 1933.

LEGISLATIVE ASSEMBLY.

Wednesday, 1st March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

SHORT NOTICE QUESTIONS AND ANSWERS.

BAN ON THE HOLDING OF THE INDIAN NATIONAL CONGRESS IN CALCUTTA.

Mr. S. C. Mitra: (a) Will Government please state if there is any truth in the Press report that Government are going to ban the holding of the next Session of the Indian National Congress in Calcutta?

(b) Is it not a fact that Government on several occasions admitted that they have not declared the Congress an unlawful Association?

(c) Has the attention of Government been drawn to the Associated Press message in which it has been stated (on the authority of Mr. Aney and Pandit Madan Mohan Malaviya) that the date of the Congress Session has been changed to March 31st, and April 1st, in order to allow the Congress to record the country's verdict on the White Paper?

(d) Is it the intention of Government not to permit the Congress leaders and authorities to discuss and judge the White Paper on its merit?

(e) Are not Government aware that the Subjects Committee of the Congress settles the agenda of business to be taken up in the open Session of the Congress and that it is necessary to hold meetings of the Subjects Committee to settle the future programme or even to amend or alter its present programme?

(f) Will Government state the reasons why they are not permitting an association like the Congress, which has not been declared unlawful, to give its verdict about the acceptance or otherwise of the constitution as adumbrated in the White Paper?

The Honourable Sir Harry Haig: (a) It is the case that Government see no reason to depart from the position they took up last year, that the Congress Session cannot be allowed while the Congress stands pledged to civil disobedience.

(b) Yes.

(c) Yes. Other Press messages, however, indicate that the date was fixed so as not to precede the Calcutta Corporation Election which takes place on March, 29th.

(d) There is no objection to Congress leaders, who are at liberty, discussing the White Paper.

(e) This may be the procedure in normal times, but it was not followed in 1932 when the acting President of the All-India Congress Committee addressed the Presidents of Provincial Congress Committees and stated that it has been decided in consultation with Pandit Malaviya and other friends to hold the annual Session in Delhi and that the usual procedure prescribed in the constitution could not be observed. Notice was given of the three resolutions to be placed before the Session, one of which was to endorse the resolution of the last meeting of the Working Committee reviving civil disobedience.

(f) Though the Congress has not been declared an unlawful association, it stands at the present moment for an unlawful movement, and its activities are directed to unlawful ends. That is the sole reason why its annual Session cannot be permitted.

Mr. Gaya Prasad Singh: Are Government aware that the result of their action will be to prevent the Indian National Congress from giving its opinion on the White Paper which is expected to be published by the end of this month?

The Honourable Sir Harry Haig: Has my Honourable friend any authority for the view that the Indian National Congress are anxious to give their verdict on the White Paper?

Mr. Gaya Prasad Singh: Yes, Sir. The authority is the statement of the acting President of the Indian National Congress and Pandit Madan Mohan Malaviya. May I know if the Government have in their possession any material to show that this view of Pandit Malaviya and the acting President of the Indian National Congress is erroneous?

The Honourable Sir Harry Haig: I am very glad to hear, Sir, on the authority of my Honourable friend, that the Congress are anxious to co-operate in the new constitution.

Mr. Gaya Prasad Singh: I have not said so, Sir.

The Honourable Sir Harry Haig: If that is so, then, surely their first step should be to abandon civil disobedience which is clearly inconsistent with any attitude of constitutional co-operation.

Mr. Gaya Prasad Singh: May I ask the Honourable Member if he has not misunderstood the position? I have never said that the Indian National Congress will co-operate with Government in whatever measure of Reforms that may be coming. For the matter of that, many Members of this House are not ready to co-operate with Government in whatever measures that may be forthcoming. It is only to discuss the constitution in the light of the White Paper that the Congress wanted to hold a Session. Are Government aware that in view of this the impression will be created in the popular mind that the White Paper is so disappointing that the Government are afraid to allow the premier political organization in the country to hold a meeting and give a lead to the country on this question?

The Honourable Sir Harry Haig: Well, Sir, I do not think that would be a fair inference. As I have said, if Congress are anxious to discuss in a constitutional way, without necessarily accepting the proposals that His Majesty's Government will shortly be publishing, then it is quite obvious that that would be inconsistent with the maintenance of an attitude of civil disobedience, and that the first task, therefore, before them, if that is their object, is to abandon civil disobedience.

Mr. Gaya Prasad Singh: Do Government realise that the measure of repression which they are carrying out in this country is also inconsistent with the measures which they propose to bring forward for Constitutional Reforms?

The Honourable Sir Harry Haig: No, Sir. The special measures that the Government are at present taking are forced upon them by the policy of civil disobedience and will terminate as soon as that policy terminates.

Mr. B. Das: May I enquire if Government do not agree with me that the Congress is going slow in order to give a chance to the Government to bring out the new constitution?

The Honourable Sir Harry Haig: I should be glad, Sir, to believe that the Congress were going slow, but I cannot see any very clear evidence of that fact.

Mr. B. Sitaramaraju: Will Government be pleased to state whether they consider the Congress now to be an unlawful body?

The Honourable Sir Harry Haig: I would refer the Honourable Member to my original reply in which I said that though the Congress had not been declared an unlawful association, that is to say, under the Criminal Law Amendment Act, it stands at present for an unlawful movement and its activities are directed to unlawful ends.

Mr. A. Hoon: In view of the answers given by the Honourable the Home Member, am I to understand that as the Government consider some of the activities of the Congress unconstitutional, they are bent upon not allowing the Congress to do anything constitutional?

The Honourable Sir Harry Haig: No, Sir. I still await confirmation of the view that the Congress are anxious to follow a constitutional course.

Mr. A. Hoon: May I ask what will convince the Honourable the Home Member that the Congress want to look into the White Paper from the constitutional point of view?

The Honourable Sir Harry Haig: The answer is quite plain. Abandonment of civil disobedience will convince me that the Congress have realised that in future their policy should be directed to constitutional channels.

Mr. A. Hoon: This, Sir, comes to the same thing that if a part of their programme is unconstitutional, you will not give them a chance to do something constitutional?

The Honourable Sir Harry Haig: I cannot believe, Sir, in their intention of acting in a constitutional way as long as they maintain an unconstitutional movement.

Mr. M. Maswood Ahmad: How is it possible to pass a resolution without holding a meeting?

The Honourable Sir Harry Haig: I would say that under present conditions if the Congress really want to change their policy, they would probably find it easier to do so under less spectacular conditions than the holding of the annual Session of the Congress.

Mr. N. M. Joshi: May I ask when the Government will consider the Congress as having given up the civil disobedience movement?

The Honourable Sir Harry Haig: When either the Congress have definitely abandoned civil disobedience or there is no doubt that civil disobedience is dead.

Mr. N. M. Joshi: How do Government expect Congress to abandon civil disobedience? By what method?

The Honourable Sir Harry Haig: They can very easily make plain their intentions.

Mr. N. M. Joshi: May I ask, how you want the intentions to be made plain? By what method?

The Honourable Sir Harry Haig: I merely want to be convinced.

Mr. N. M. Joshi: May I know by what method you are likely to be convinced?

The Honourable Sir Harry Haig: There are many methods by which I could be convinced. (Laughter.)

Mr. N. M. Joshi: May I ask the Government Members to name one or two methods?

The Honourable Sir Harry Haig: No; I do not feel inclined to say that we require the Congress to take this, that or the other formal action.

Mr. S. C. Mitra: May I take it that the Government have no objection to have a secret meeting of the Congress and not a spectacular one? Is that the intention?

The Honourable Sir Harry Haig: What I mean is that the Congress leaders, a great many of them are still at large, and there is really nothing to prevent them meeting together quietly and changing their policy if they really wish to.

Mr. M. Maswood Ahmad: Is the Working Committee free to meet or is it an unlawful association?

The Honourable Sir Harry Haig: The Working Committee is at the moment an unlawful association, but it is always possible for certain individuals to meet together though perhaps not in their capacity as the Working Committee.

Mr. S. G. Jog: From the recent attitude and the anxiety of the Congress people as regards the Untouchability Bills and their appeal to Members of this Assembly, does not the Honourable Member think that a change of policy towards co-operation is coming in the Congress circles? Is that not sufficient evidence?

The Honourable Sir Harry Haig: I think it is possible, and it is a hopeful sign that certain members of the Congress are turning more in the direction of constitutional channels, but, so far as my information goes, there are other elements which still maintain and maintain strongly the original policy.

Mr. S. G. Jog: Will not the Government encourage this change of policy that is coming gradually?

The Honourable Sir Harry Haig: I do not think the holding of the annual Session of the Congress would encourage such a policy.

Mr. H. P. Mody: Is it not a fact that the leaders of the Congress movement who are at large today are so because they are not engaged in the civil disobedience movement?

The Honourable Sir Harry Haig: It is perfectly true that they are not taking an active part at the moment.

Mr. H. P. Mody: And, therefore, they cannot be committed definitely to the civil disobedience movement? Is it really not for the Congress to reconcile the position that they propose to take up, namely, the consideration of the White Paper, with the position that they have taken up all along, viz., the maintenance of the civil disobedience movement? Is it not for the Congress to reconcile that?

The Honourable Sir Harry Haig: I am not quite sure that I understand the purport of my Honourable friend's question.

Mr. H. P. Mody: The Government's objection seemed to be that while Congress want to consider the White Paper, they also want to pursue at the same time the civil disobedience movement. That is a matter for the Congress to explain away to the public? Why should Government object to their consideration of the White Paper, because they may have been committed in the past to the maintenance of civil disobedience?

The Honourable Sir Harry Haig: The point is that as Honourable Members are aware, the annual meeting of the Congress in happier times was a very spectacular meeting preceded by elaborate preparations extending over a month or more and widely advertised in the Press. It is quite impossible for the Government to allow such a meeting to be held by a body which still stands for civil disobedience.

Mr. H. P. Mody: Are not Government in effect putting the lid altogether on any attempts on the part of responsible Congress leaders who are still at large, to revise in some way the Congress policy, because the very consideration of the White Paper, I maintain, would be a sort of revision of the policy of civil disobedience?

The Honourable Sir Harry Haig: No: I am afraid I cannot accept that view. As I have said before, if they really wish to adopt constitutional methods, it is quite clear that they must abandon civil disobedience, and if they are not prepared to abandon civil disobedience, I am afraid, I take that as a conclusive proof that they are not prepared to adopt constitutional methods.

Mr. N. N. Anklesaria: Is it not possible for Mr. Gandhi even from Yawada to make a public declaration which can satisfy the Government on this point? (Laughter.)

The Honourable Sir Harry Haig: I do not think there will be any obstacle interposed by Government to Mr. Gandhi making any such statement.

Sir Abdur Rahim: Is it necessary for the Government of India to obtain assurances from the Congress beforehand that they will not practise civil disobedience? If the Government do not obtain such assurances, they have the ordinary laws and special laws and surely they could apply them against the Congress if the Congress violated the law?

Mr. Gaya Prasad Singh: They are afraid of the Congress.

The Honourable Sir Harry Haig: I think the position of Government would be very much misunderstood if a body, which has been engaged for the last fourteen months in prosecuting a movement against which all the forces of Government have been directed, were allowed to meet in Calcutta.

Mr. Muhammad Azhar Ali: Are Government prepared to give a list of the names of those individual members whose opinions will carry weight with the Government from amongst those who are at large?

The Honourable Sir Harry Haig: I should be sorry to attempt such an estimate of the comparative value or importance of the various Congress leaders.

Mr. B. V. Jadhav: Government have admitted that the Congress leaders who are free are allowed to be free, because they have given up the non-co-operation propaganda. Will Government be satisfied with their assurances that the Congress has given up this non-co-operation propaganda?

The Honourable Sir Harry Haig: In the first place—I do not wish to be misunderstood—I do not think I went so far as to say that all the leaders who are at present at large had definitely given up the civil disobedience movement. The fact that they are still at large may be taken as evidence that they are not at the moment actively engaged in it.

Mr. H. P. Mody: If Government propose to wait for the Congress definitely to repudiate the civil disobedience movement, do not Government think that they will have to wait indefinitely?

The Honourable Sir Harry Haig: I do not know, but what we are discussing at the present moment is the policy of Government in declaring that the annual Session of the Congress cannot be held.

Mr. D. K. Lahiri Chaudhury: Is it the intention of the Government to detain all these Congressmen in the jail so long as the new constitution is not inaugurated?

The Honourable Sir Harry Haig: I hope I shall be able to express certain views about that question when the resolution which stands next in the list comes on for discussion.

Mr. N. N. Anklesaria: Is there anything to prevent the Congress leaders, who are outside jail, from making a declaration which could satisfy the Government at the present moment, without there being all this fuss in this House?

The Honourable Sir Harry Haig: I should say there is nothing at all.

Mr. B. Das: Do I take it, in view of the declaration of Government that the Congress is engaged in unlawful activities, that the Government are now going to declare the Congress as an unlawful body?

The Honourable Sir Harry Haig: No, Sir; the Government have no such intention.

Mr. B. Das: Is it not practically the same thing—declaring the Congress Session unlawful?

The Honourable Sir Harry Haig: The position of Government is that they do not propose to allow the annual Congress Session to be held, but they have no intention of declaring that every member of the Congress is a member of an unlawful association and should, therefore, be liable to prosecution and imprisonment.

Mr. B. Das: I would welcome that prosecution and I would welcome your declaration.

Mr. K. P. Thampan: May I know, Sir, if the Congress venue is changed to some place in a peaceful province like Madras, will the Government be pleased to raise the ban on it?

Mr. Amar Nath Dutt: No, I object. Do you mean to say that Bengal is not peaceful?

The Honourable Sir Harry Haig: No, Sir; even if the venue is changed to such a peaceful province as that from which my friend comes, the conclusion of Government will remain the same.

Mr. C. C. Biswas: Is the decision to ban the Congress meeting the decision of the Government of Bengal or of the Government of India?

The Honourable Sir Harry Haig: The decision, Sir, is that of the Government of India supported by the Secretary of State.

Mr. C. C. Biswas: Do I understand, then, Sir, that the Government of Bengal did not take the initiative and suggest that the Congress should be banned?

The Honourable Sir Harry Haig: All Local Governments, Sir, were consulted on this point, and all were in agreement.

Mr. S. C. Mitra: Apart from any inferences, have Government got any positive information which contradicts the information of the Associated Press that the Acting President, Mr. Aney, after consultation with Pandit Malaviyajee, postponed the date to consider the Congress decision about the country's verdict on the White Paper, because it has not been contradicted by the Congress leaders?

The Honourable Sir Harry Haig: I have no definite information on the subject. I do not profess to be in the inner counsels of the Congress.

Mr. Gaya Prasad Singh: Question, question.

The Honourable Sir Harry Haig: But I had certainly understood from previous references which I had seen in the newspapers which are my source of information, that the Congress Session had been postponed in consequence of certain difficulties about the Calcutta Corporation elections. For instance, I have here a telegram of the 15th of February which says that although it was previously settled to hold the next Session of the Indian National Congress in Calcutta about the middle of March, some recent unforeseen developments make it impossible on the part of the Congress authorities to make a decision as final without further consideration of the whole situation. Well, Sir, I hardly think that the White Paper could be described on the 15th February as a recent unforeseen development.

Mr. C. S. Ranga Iyer: Are the Government aware that there is in the Congress fold one party which would like to take a strong line,—I would not say of co-operation,—but I would say of consideration in regard to the forthcoming White Paper, and if so, will not the Government be depriving that party of meeting the other parties within the Congress fold and having a full discussion in the Subjects Committee of the Congress which is generally more important, so far as the Congress is concerned, than the spectacular show?

The Honourable Sir Harry Haig: I should not take that view myself, Sir. If there is that party,—and I am very glad to have my friend's assurance that such a party is in existence,—I should have thought that it would be more likely to make its influence felt gradually by the ordinary operation of influence under ordinary circumstances than in a regular and definite discussion either in the Subjects Committee or at the annual Congress Session.

Mr. C. S. Ranga Iyer: Is it not a fact that that particular party, like the party of the late Mr. C. R. Das and Pandit Motilal Nehru, would like to take the whole Congress with them, or at least a large majority with them, or at any rate an overwhelming minority with them, and the Government will be depriving that party of the opportunity to decide as to how they should act if they are prevented from coming together in the Congress?

The Honourable Sir Harry Haig: No, Sir; as I have already suggested, I do not take that view.

Mr. C. S. Ranga Iyer: Will the Government be pleased to state why they do not take that view?

The Honourable Sir Harry Haig: I think I have already explained that matter at great length.

Mr. S. C. Mitra: May I know why the Government are laying special stress on the information they obtained on the 15th or 16th of February, when they have subsequent information on the 24th of February from the Associated Press stating that the Congress leaders want to discuss the White Paper? Even after this short notice question was advertised in the Press, there was no contradiction by the Congress leaders. Therefore, I want to know why should Government lay special stress on the earlier information they have received and take advantage of it?

The Honourable Sir Harry Haig: I merely stated, Sir, the information in my possession, and I noticed in a local Nationalist Paper—I think it was yesterday,—considerable alarm expressed at this idea that the Congress might want to discuss the White Paper and a strong hope was expressed that this report was completely unfounded.

Mr. S. C. Mitra: Is not the Honourable Member aware that any informal decision by a few leading Congress men will not be constitutionally binding on the Indian National Congress, and that the suggestion of holding an informal conference of leaders to revise the Congress programme is not really feasible?

The Honourable Sir Harry Haig: It may be, Sir, that eventually the ratification of the Congress might be required for the policy of its leaders, but I would remind the Honourable Member that it did not require a meeting of the Congress to launch civil disobedience, and, therefore, I do not see why it should require a meeting of the Congress to abandon it.

Mr. S. C. Mitra: Is not the Honourable Member further aware that when a large number of Congress leaders decided to keep the boycott of the Legislatures, that decision was arrived only in the open Session of the Congress, although some of the leading Congressmen were opposed to it. It was only possible to alter the Congress programme in an open Session, and not in an informal meeting, where some of the leaders might even be averse to it?

The Honourable Sir Harry Haig: As I said just now, eventually the endorsement of the Congress as a whole to a particular policy would probably be required.

Mr. S. C. Mitra: Will Government give facilities to the All-India Congress Executive Committee to meet and settle its programme even as regards the civil disobedience movement?

The Honourable Sir Harry Haig: No, Sir, I am afraid I can give no undertaking to give facilities under present conditions.

Mr. C. S. Ranga Iyer: Are the Government aware that the banning of the Calcutta Congress will result in putting the Congress leaders on their mettle and force them to disobey the Government at any rate to save their faces?

The Honourable Sir Harry Haig: I hope that is not so, but in any case the Congress leaders must have been well aware of the position. This is no surprise that has been suddenly sprung upon them. The policy we are following is precisely the policy that we followed a year ago.

Mr. C. S. Ranga Iyer: Do the Government realise that the publication of the White Paper will result in a situation which calls for a change of policy on the part of the Government so that there may be a change of programme on the part of the Congress?

The Honourable Sir Harry Haig: I should be very glad, Sir, if the publication of the White Paper leads to a change in the policy of the Congress. We all hope that that will in fact be the case.

Mr. C. S. Ranga Iyer: Will the Government give an opportunity to the Congress to change their programme by allowing them to hold the Congress?

The Honourable Sir Harry Haig: As I have already said, these spectacular methods are not really required for the purpose of changing their policy.

Mr. C. S. Ranga Iyer: Are the Government aware that the Congress method of holding the Session is the only method of bringing about a change of opinion in the Congress, and that the less spectacular body than the Congress body is the Subjects Committee which is far more influential than the Congress itself where important decisions are taken?

The Honourable Sir Harry Haig: I am not quite sure that I followed the Honourable Member's particular point.

Mr. C. S. Ranga Iyer: The particular point I was urging was this. The holding of the Congress has a spectacular aspect, but besides the spectacular aspect there is something more, namely, the discussion in the Subjects Committee where the best brains of the Congress meet and decide as to what attitude they should take and what changes they should effect in the programme of the Congress, and, once the decision is taken, the Congress is presented with the view of the Subjects Committee, which is generally carried. Therefore, they may not necessarily meet for spectacular purposes for civil disobedience, but they may meet on the contrary for spectacular considerations to revise their programme.

The Honourable Sir Harry Haig: I cannot really accept the view that the Congress leaders are not in a position to discuss among themselves their policy and come to a conclusion.

Mr. C. S. Ranga Iyer: Is it not a fact that the Congress leaders can be in a position to discuss only if an opportunity is given to them to hold a special Session of the Congress?

The Honourable Sir Harry Haig: No, Sir. My view of the Congress leaders is that they do not belong to that class of leaders who are not prepared to do anything except what they are told to do by their followers.

Mr. C. S. Ranga Iyer: Is it not a fact that Congress leaders are in jail and that Congress leaders are also out of jail and that Congress leaders of influence and position like Pandit Madan Mohan Malaviya, Mr. Aney and others who have large number of followers would like to consult others and take with them in the direction of responsive co-operation?

The Honourable Sir Harry Haig: It is perfectly true that, as my Honourable friend has just reminded me, a number of Congress leaders are in jail. While that is the case, it is always open to the Honourable Member to argue with some plausibility that it is not possible for the Congress to have a full discussion and come to their conclusions. The answer that I would give to any such suggestion is that the only course that is open to the Congress is to abandon civil disobedience and get their leaders out.

Sir Abdur Rahim: Under what law are the Government acting in the prohibition of the meeting of the Congress?

The Honourable Sir Harry Haig: Action will be taken presumably by the Bengal Government under the ordinary law and such powers as they possess at the present moment.

Sir Abdur Rahim: Is it under section 144 of the Criminal Procedure Code or the new law that has been passed?

The Honourable Sir Harry Haig: I cannot anticipate the precise action that will be taken by the Local Government.

Mr. Muhammad Azhar Ali: Will Government consider the suggestion of allowing a Session of the Congress to be held in the Yarawada jail?

The Honourable Sir Harry Haig: That, Sir, is a most attractive suggestion.

Mr. C. S. Ranga Iyer: Will Government be pleased, in view of the publication of the White Paper, to permit the Congress leaders who are in jail to meet among themselves to form an opinion after discussion, as they allowed a similar meeting to be held in the Yarawada jail.

The Honourable Sir Harry Haig: I am afraid that prisoners must be treated as prisoners.

Mr. Lalchand Navalrai: Does the Honourable Member realise that by not allowing the Congress to meet, Government are encouraging the under-currents in the Congress party by not allowing public expression of their views?

The Honourable Sir Harry Haig: As far as I know, that is not the case. Honourable Members opposite, and I give them full credit for their feelings, are assuming that the Congress are dying to co-operate. I am afraid, that is not the information that is at present in my possession.

Mr. H. P. Mody: May I inquire whether Government do not feel themselves sufficiently strong to put down the Congress if it again chose to tread the barren path of civil disobedience?

The Honourable Sir Harry Haig: We are not prepared to allow any revival, even temporary, so far as we can prevent it, of the civil disobedience movement.

Mr. Arthur Moore: May I ask that this short notice question has now occupied 35 minutes?

Mr. B. Das: May I inquire how the Honourable Member can reconcile the statement that the civil disobedience movement is still active in India, while the Secretary of State has made repeated statements in the House of Commons that the Congress movement is dead? Surely the statement of the Secretary of State must have been based on the despatches sent by the Honourable Member.

The Honourable Sir Harry Haig: I have not observed any statement by the Secretary of State in the House of Commons that the Congress movement is dead. That is certainly not the position taken by the Government of India.

BAN ON THE HOLDING OF THE INDIAN NATIONAL CONGRESS IN CALCUTTA.

Mr. S. G. Jog: (a) Have Government seen a report appearing in the Press to the effect that they have banned the ensuing Session of the Indian National Congress?

(b) If so, what reasons have led Government to adopt this course?

(c) Is not the Congress still a lawful institution since it was so declared by Sir James Crerar in this House?

(d) If so, what reason have Government to apprehend that its meeting would be unlawful?

(e) Have Government received any information regarding the agenda for its next meeting?

(f) If not, why should it proscribe a body from performing its legitimate duty, e.g., consideration of the White Paper?

(g) Are Government aware that Sir Samuel Hoare had assured the Round Table delegates that there would be no empty chairs in the Joint Parliamentary Committee?

(h) Will Government make a full statement on the subject?

The Honourable Sir Harry Haig: (a) Yes. I invite attention to my reply to part (a) of Mr. Mitra's short notice question which I have just answered.

(b) The reason is that Congress is still pledged to civil disobedience.

(c), (d) and (f). I would refer the Honourable Member to my reply to part (b) of Mr. S. C. Mitra's question.

(e) No.

(g) The Honourable Member has not quoted the Secretary of State correctly.

(h) I have no further statement to make.

Mr. S. G. Jog: May I know what the Secretary of State said, if my statement is incorrect?

The Honourable Sir Harry Haig: The Secretary of State said "I want to see no empty chairs at the Conference with the Joint Select Committee".

Mr. Lalchand Navalrai: May I know from the Honourable Member if the Government are of opinion that the Congress is still carrying on the civil disobedience movement, what deters the Government from proscribing the whole Congress?

The Honourable Sir Harry Haig: The Government, Sir, think that such action would be quite unnecessary.

Mr. Lalchand Navalrai: Why does the Honourable Member think it unnecessary?

The Honourable Sir Harry Haig: The Government do not want to take action beyond what they consider the circumstances of the case require.

Mr. Lalchand Navalrai: Why not then give them an opportunity to give public expression to their views and inform Government that the civil disobedience movement is not to be followed?

The Honourable Sir Harry Haig: I have already replied to this point fully in my answer to the short notice question and in the previous answer. It is one thing to prohibit a particular meeting and it is quite a different thing to declare the whole Congress an unlawful association and thereby render every one of its members liable to prosecution and imprisonment.

Mr. Lalchand Navalrai: The Honourable Member is giving his stereotyped reply. I want an explanation on that point.

The Honourable Sir Harry Haig: If the Honourable Member is unable to understand that, I cannot help him.

Mr. S. G. Jog: Do the Government realise that this attitude of the Government towards the Congress in putting this ban will stiffen the attitude of the other co-operating units of the Round Table Conference?

The Honourable Sir Harry Haig: I have no reason to think so.

Diwan Bahadur Harbilas Sarda: Are Government aware that if they do not allow and do not wish to allow the leaders of the Congress to meet and discuss and come to a decision with regard to the abandonment of the civil disobedience movement, people will interpret the action of Government to mean that Government do not wish the civil disobedience movement to come to an end, so that they may continue to crush all political work in the country?

The Honourable Sir Harry Haig: No, Sir. If the leaders of the Congress have any genuine intention of abandoning the civil disobedience movement, there is no difficulty in their saying so and communicating the fact to Government.

Mr. B. Das: Did not the Secretary of State in his final speech at the Round Table Conference, addressing Sir Tej Bahadur Sapru, said—I shall quote that very passage:

“Tell every section of Indian opinion that there is an opportunity here for their help, and that we will need their help”.

I want to know how the Honourable Member is fulfilling that observation of the Secretary of State and that assurance given at the final Session of the Round Table Conference.

The Honourable Sir Harry Haig: We are most anxious, Sir, for the co-operation of every section of Indian opinion; and, as I said earlier this morning, if it is really the case that Congress are anxious to co-operate in the new constitution—a suggestion that was repudiated with some warmth by Mr. Gaya Prasad Singh—we should be very glad to welcome that, but a necessary condition is the abandonment of unconstitutional methods.

Mr. Gaya Prasad Singh: How can Government come to the conclusion that the Congress or any section of self-respecting public opinion in this country will be ready to co-operate with the Government in any scheme of constitutional reforms even when those reforms may be disappointing?

The Honourable Sir Harry Haig: I am sorry I did not quite follow the Honourable Member's question.

Mr. Gaya Prasad Singh: The question of the co-operation of the Indian National Congress or any body of self-respecting public opinion in this country will naturally be dependent upon the kind of constitutional reforms that may be evolved out of Parliament. If the scheme of constitutional reforms is disappointing, certainly you do not expect Congress or any self-respecting individual to co-operate with that scheme.

The Honourable Sir Harry Haig: That no doubt is perfectly correct, but we hope the constitutional proposals, that His Majesty's Government will be publishing shortly, will conform closely to the conclusions of the three Round Table Conferences.

Mr. Muhammad Yamin Khan: May I know if the Honourable Member, who just put the supplementary question, wanted to insinuate that the Honourable Members who formerly belonged to the Congress Party and have separated themselves from that Party and have come to this House are not “self-respecting”? (Hear, hear.)

Mr. Gaya Prasad Singh: Sir, do Government realize that this action of theirs is sure to jeopardise the chances of a dispassionate consideration of the constitutional question, except by loyalists and others who count very little in this country, if I may say?

The Honourable Sir Harry Haig: No, Sir, that is not the view of the Government.

Mr. B. Das: May I ask, how the Government are giving any chance to Sir Tej Bahadur Sapru and those of his way of thinking, to get the Congress round to their view-point and to co-operate in the way that the Secretary of State wants?

The Honourable Sir Harry Haig: Sir, if civil disobedience is once out of the way, the path to co-operation is cleared.

Mr. B. Das: Why, I ask, did not Sir Samuel Hoare make that statement, namely, “let Mahatma Gandhi and others declare that they will abandon the civil disobedience movement and that then only he would seek their co-operation?”.

The Honourable Sir Harry Haig: The Honourable Member himself was, I understand, present at the Round Table Conference.

Mr. B. Das: I was outside.

The Honourable Sir Harry Haig: The remarks of the Secretary of State appear to me to be fully in agreement with the general intention of my answers today.

Sir Cowasji Jehangir: Have Government got any information in their possession from which they can infer that the Congress will under no circumstances give up the civil disobedience movement?

The Honourable Sir Harry Haig: No, Sir. I have no such information. We have information of course that a considerable number of the present Congress leaders still believe in civil disobedience and still think they can get results from it.

Sir Cowasji Jehangir: And will actively follow it, and will precipitate the civil disobedience movement afresh?

The Honourable Sir Harry Haig: Some of them undoubtedly believe that. Others, I should judge—though they do not say so openly—are tired of it and beginning to be despondent. (Laughter.)

RESOLUTION *RE* RELEASE OF MR. GANDHI, MUFTI KIFAET-ULLAH AND OTHER POLITICAL PRISONERS.

Mr. Chairman (Sir Hari Singh Gour): Order, order. Further discussion on the following Resolution moved by Mr. M. Maswood Ahmad on the 15th February, 1933:

"That this Assembly recommends to the Governor General in Council to release Mr. Gandhi, Mufti Kifaetullah and other political prisoners."

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, I should not ordinarily have agreed to stand up and take part in the further discussion on this Resolution but would have advised the members of my Party not to proceed with the further discussion on this Resolution owing to the most unsatisfactory and extremely disappointing attitude of the Honourable the Home Member, the spokesman of the Government of India, on this occasion; and if a motion for the adjournment of this discussion is brought forward at a later stage, I would strongly advise the members of my Party not to bother about the further discussion especially as the Government have made up their minds not to yield one inch to the request of the constitutionalists, who are not, Sir, co-operating with the Congress today, but have come to this House to fight for the rights of the people in a constitutional manner.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Is it not better to bring it all out and to bring it to the notice of the Government that they are so consistent?

Mr. C. S. Ranga Iyer: I leave that to Honourable Members to decide. My own personal inclination is that the Government are weakening the policy which we, constitutionalists, have adopted so far in the teeth of public opinion. Sir, our polling booths when we sought election to the Legislatures were picketed; there was an India-wide civil disobedience movement; the Government decided first to break up that movement, and then to negotiate with Mahatma Gandhi, then to send him to England, then to revive the policy of the Ordinances, and now that the reforms are on the horizon, to refuse the Congress people the opportunity to discuss the question of reforms, the salient features of which will be in the White Paper! Sir, we, constitutionalists, expect the Government not to weaken, but to strengthen the constitutional movement; and I shall presently show how, if they do not release the Congress prisoners forthwith, they will be weakening the constitutional movement and strengthening the civil disobedience movement. (Hear, hear.)

Sir, the civil disobedience movement, I say, is dead in the country, not dead as a door nail, but dead in the sense that the Congress leaders who have come out of prison are not preaching it and asking the people to go back to the jails. Sir, Mahatma Gandhi himself has diverted the attention of the people from the civil disobedience movement to the constructive movement of removing untouchability.

Pandit Ram Krishna Jha (Darbhanga *cum* Saran: Non-Muhammadan): "Splitting the Hindu camp."

Mr. C. S. Ranga Iyer: My friend over there says: "splitting the Hindu camp". If the Hindu camp has been split, as it certainly to some extent has been split, that is one more reason why Mahatma

Gandhi and his supporters in jail should be released, for there is not the same old unity among the Hindus over the civil disobedience movement which existed before. Those who are split today may continue to be split without endorsing the Congress campaign in the country, in pursuit of the untouchability programme which he has put forward. Sir, the whole career of Mahatma Gandhi shows that once he takes up a movement, even though he may be faced with the strongest opposition in his own camp, in his own community, he is not the man to go back from that campaign until he leads it to success. Sir, the anti-untouchability movement has come to stay. Mahatma Gandhi would not have taken it upon himself to preach this new gospel, had not the call come to him that "here is a greater opportunity to serve the nation and to strike at the fetters of ages which superstition and misinterpretation of religion have created". Sir, the editor of the *Harijan* journal and the author of the "Harijan" movement

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): On a point of order, Sir. Are we discussing Mahatma Gandhi's release now or anything else?

Mr. C. S. Ranga Iyer: I am discussing

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member must confine himself to the motion before the House.

Mr. C. S. Ranga Iyer: I am discussing the creation of a new situation by the preaching of anti-untouchability, the creation of a situation which has resulted in the disappearance of the civil disobedience movement itself. And as this anti-untouchability movement attracts greater attention in the country than civil disobedience, I lay my claim for the release of the political prisoners, because they must be given an opportunity to follow their great leader. I lay emphasis on the release of Mahatma Gandhi, because he must be given an opportunity to carry on this constructive movement. Therefore, I propose to lay stress on the implications of this anti-untouchability movement which alone can finally destroy the civil disobedience movement. Government will be bound to release Mahatma Gandhi and his supporters ten months hence when the Government of India Bill is introduced in the House of Commons or when it is passed. They are bound to release him because there will be the necessity to create an atmosphere for the working of the reforms by a declaration of general amnesty as it was created when the Montagu reforms were introduced. In these respects precedents are a safe guide and unless the Home Member were to stand up in his seat and say that they do not propose to release him at any time until he abandons the civil disobedience movement, I venture to state that Mahatma Gandhi will have to be released within six or ten or twelve months when the new reforms will be introduced. Why then delay the release? That is the question I ask. Do you want to wreck the constitutional movement? Do you want to throw us to the wolves? Do you want to destroy those who came to this House in spite of the civil disobedience movement? For the best way to wreck the constitutional movement will be to throw open the jails on the eve of the next general election so that the martyrs of freedom might make us thralls before the electorate,—wipe out the

[Mr. C. S. Ranga Iyer.]

constitutionalists as the Redmondites were wiped out in Ireland. Government are playing into the hands of the civil disobedience people,—that is my complaint,—by postponing their programme of releasing them. If, on the contrary, they release them today, what will happen? One section of the Congress will no doubt work for the resumption of the civil disobedience movement,—I have no doubt about it. Another section will work for the continuance of the anti-untouchability movement,—I have no doubt about that either. A third section will try to work the reforms or, for that matter, wreck them.

An Honourable Member: In which section are you?

Mr. C. S. Ranga Iyer: I do not know. My politics today must be very clear to the Honourable Member as I am taking part day after day in the business of this House. I am astonished that such a question should be put.

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): Tomorrow may not be today.

Mr. C. S. Ranga Iyer: Yes, tomorrow may not be today, but who has seen tomorrow? I am talking today that Government must create a good tomorrow. Let me proceed with my argument. I was saying that there will be one section who would like to resume civil disobedience; there will be another section under the leadership of Mahatma Gandhi which will not like to give up the anti-untouchability programme until it has reached to its fruition; and there will be a third section which will like to consider the White Paper in the light of cold reason. Here is an opportunity which, if Government were to miss it, will never come again. Opportunities such as these are painted with a bald on the back and a forelock in front, and if you allow such an opportunity to pass without seizing it by the forelock, you will never be able to seize it at all. The anti-untouchability movement will be dead six months hence. (A Voice: "Why?"), because Mahatma Gandhi cannot meet from behind the prison bars the great opposition which my Honourable friend, Mr. Jha, says is bound to be created. He must be given an opportunity to lead the movement. He must be given that opportunity even at the risk of his turning political civil disobedience into a removal-of-untouchability-civil disobedience, for, as the Tarakeswar *satyagraha*, there may be a Guruvayur *satyagraha*. At a time like this the Congress must be given an opportunity of discussing seriously and coming to a decision, for I refuse to accept anybody's dictum that the Congress consists of auto-matons. If the Congress is to be given an opportunity of discussing the matter, it is but fair that the prisoners should be released with the Mahatma, and, once they are released, I am perfectly certain that they will come together and realise that the atmosphere for civil disobedience does not exist. My own interpretation has always been that if Government had not denied the opportunity which the Mahatma wanted on his landing in India, the situation would have been differently written. There would have been no need either for Ordinances or for civil disobedience. Therefore, I will ask Government to take courage in both hands and release the political prisoners and create a situation in which constitutionalism can prosper.

If, on the contrary, they want to play into the hands of the civil disobedience people, the best way is to drive the iron into their souls, to make the people in the country who sympathise with them not to read the White Paper in the cold light of reason and to minimise the possibilities of our reviving the constitutional movement in the manner in which we would like to revive it. Sir, take it from me that if the White Paper is to be published when these Congressmen are in jail, the White Paper will not be dispassionately considered by the people much as we would like them to consider it dispassionately.

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Not a bit of it.

Mr. C. S. Ranga Iyer: The new group headed by my friend, the Raja Bahadur, says that not a bit of it will take place, namely, a dispassionate consideration of the White Paper. I entirely agree with him. It will not be considered at all dispassionately by people who sympathise with the Congress, but who are not necessarily associated with the civil disobedience movement. They are, Sir, the raw material which we would like to have for our constitutional purposes and they are the class of people in the country without whom we cannot lead the constitutional movement to success. They cannot come to our side because of the passion and prejudice which they have,—I call it patriotic passion and patriotic prejudice; they feel that their great Mahatma is in jail; they feel that the martyrs of conscience are in jail. You may differ from their feeling, but, if they feel like that, why not release these political prisoners so that that feeling may cease to be? For even though they feel for these political prisoners, you may take it that these people who have not associated with the civil disobedience movement are constitutionally inclined. But for that there would have been no place in the jails. Out of so many millions of educated people, so many are watching that movement. They are men who have a detached outlook and these men must come to our side, because they have as yet gone to no side. They are only detached spectators and they think today that "repression", as they call it, overshadows the reforms. I want the reforms to overshadow repression; and that is why I beg of you to visualise the future, to take courage in both hands and to release the political prisoners when constitutionalism will advance and can advance from strength to strength.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, I believe that there is nobody in this House who does not fully sympathise with the objects underlying this Resolution. The question of the release of Mr. Gandhi and other Congress leaders, has come up before this Assembly, during the question time, several times. Even this morning, for about an hour, we had a lengthy discussion on this matter. (A Voice: "No discussion, but questions and answers.") Well, although it was in the form of two short notice questions, but in effect it assumed the form of a debate this morning, as they raised innumerable supplementary questions and answers... (A Voice: "That was for information only")... and from the answers, which were given on behalf of Government on all occasions, it seems quite clear that Government were certainly anxious to get the valued co-operation of the Congressmen in the constructive work of the future reforms. It clearly shows that but for the anxiety of Government about peace and tranquillity

[Sir Muhammad Yakub.]

of the country, the release would have been effected long ago. The past experience has compelled the Government to adopt this attitude. He would be a bold man indeed who would say that Government are not justified in adopting this attitude. In some quarters, there seems to be a misapprehension that Government want a written guarantee from the Congressmen to the effect that on their release the civil disobedience movement will not be revived. If this misgiving is correct, surely, this is too much for the Government to expect from the Congress leaders, but I hope what the Government really want is only some gesture, indicating that on their release the Congressmen will take to constructive work for the advancement of the country. Mr. Chagla, who was till late a follower of Mr. Gandhi, and is perhaps still a Congressman, has put up the position of the Congress in a very clear way, in an open letter addressed to Mr. Gandhi, and I think it is time that the Congressmen should seriously review the position in the light of the advice given in that letter. We have often felt that Government have a false notion of prestige, but I hope the Congressmen are not following in the footsteps of the Congress, and I hope that they will not fall a victim to the bogie of prestige. The interest of the country should be their only concern in reviewing the situation. I am sure, if they survey the whole position in a dispassionate way, they are sure to come to the conclusion that the time has come when they should discard the garb of non-co-operation and should appear in the apparel of co-operation to lend added strength to the forces that are working, constitutionally, to get self-government for India. As soon as their position is clear, there certainly remains no justification for their retention in prison. Those Honourable Members, who are responsible for this Resolution, will do better to advise the Congress to take the proper step in the matter. So far there has been no indication made by the Congressmen that they are ready to retrace their steps, if Government modify the position. The first thing in the matter, therefore, is to get some such assurance from the Congress side

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): May I ask the Honourable Member, where from the quotation is made?

Sir Muhammad Yakub: From the speech which was delivered by my Honourable friend, Mr. Lahiri Chaudhury, inside the room in the Western Hostel.

The first thing in the matter, therefore, is to get an assurance from the Congress side. Honourable Members are aware that civil disobedience movement has brought destruction to so many phases of the country's life. They are aware that but for the steps taken by the Government, perhaps there would have been anarchy in many parts of the country. Evidently, therefore, it is unwise to take any step till Government are assured that there is no chance for the recrudescence of civil disobedience. The Congress has been described by Mr. Gandhi as the spirit of rebellion. So long as this sort of spirit remains there, it will be difficult to blame the Government if that spirit is crushed.

Sir, my Honourable friend, Mr. Maswood Ahmad, has done great harm, and has shown great disrespect, to Maulana Mufti Kifaetullah Sahab by linking his name with the Congress leaders. The grand Mufti commands the respect from all shades of Muslim opinion for his learning and piety and not for his political proclivities.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Is there any respect in the heart of the Moradabad Knight?

Sir Muhammad Yakub: As for myself, I have known Mufti Mauiana Kifaetullah since he was a student at Moradabad and reading in the Arabic school. I have known him even from before that, and really I have more respect for his piety and learning than my friend, Mr. Maswood Ahmad, has got who simply wants to come into the limelight by putting forward such Resolutions. I repeat again . . .

Mr. Uppi Sahab Bahadur (West Coast and Nilgiris: Muhammadan): On a point of order, Sir. Is the Honourable Member entitled to question the motives of another Honourable Member?

(Cries of "Withdraw, withdraw.")

Sir Muhammad Yakub: There is no question of motives. I will not give way. We judge a man from what he says.

Mr. Chairman (Sir Hari Singh Gour): Order, order. I think Sir Muhammad Yakub must reflect that he has said that this Resolution has been sponsored by Mr. Maswood Ahmad with a view to coming into the limelight. In other words, his primary purpose is to court popularity and that he does not believe in it. I am quite sure that Sir Muhammad Yakub did not imply that and he will explain himself and I am quite certain that he would not wound the feelings of other Members in this House.

Sir Muhammad Yakub: You are quite right, Sir, in what you say, and that is what I meant. What I was going to say is that my friend has really shown very scanty courtesy to the grand Mufti by linking his name with the Congress leaders. The grand Mufti was sent to jail for making a demonstration of his religious views and not for making any Congress propaganda. His case stands on quite a different footing. He ought not to have been sent to jail, and there is no justification for keeping him any longer there.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): I hope the grand Mufti will be released on the recommendation of Sir Muhammad Yakub.

Sir Muhammad Yakub: I hope so, Sir. I would now say a word to the Government as well. Honourable Members on the Treasury Benches are very well aware that the country needs a change in the present position and certainly they expect from those, who are at the helm of affairs, to realise the plight of the people even in the face of odds that may be working against it. False notions of prestige, as I have said above, do not pay either the Government or the people. If, therefore, there is obstinacy on one side, there is no reason why there should be obstinacy on the other side as well. Statesmanship requires that a solution of the problems should be made; statesmanship requires that no further time should be lost in getting the present position changed. Some steps should, therefore, be taken so that the co-operation of all classes of people may be secured and the disruptive forces in India, which are ruining it both from a political and economical standpoint, should disappear. I hope the

[Sir Muhammad Yakub.]

time is not far off when, if not through the sanity of the Congress, at least through the statesmanship of the powers that be, we will find conditions absolutely changed, and instead of rebellion an atmosphere of peace and goodwill prevailing in the entire country.

Before I sit down, I would like to say that the Honourable the Mover of this Resolution, and his supporters, will not be doing a service to the country if they press this Resolution to a division. It is not a matter on which decision can be given by saying "Yes" or "No". The purpose of a Resolution like this is fully served if it gives ample opportunity to Members of the House to ventilate their views and sentiments. More than this is neither desirable nor even politic. I will, therefore, appeal to my friend, the Mover of the Resolution, that he will not press this Resolution to a division.

Mr. N. M. Joshi (Nominated Non-Official): Sir, the question which the Assembly is considering this afternoon is of great importance. On the release of prisoners depends the political peace of the country. On it also depends a proper consideration of the constitutional reforms. The Government of India and His Majesty's Secretary of State have stated that unless assurances are forthcoming that the civil disobedience movement will be abandoned, the political prisoners cannot be released. That the Government should ask for assurances is, I feel, a wrong thing. If assurances are necessary from any party, it is the Government that should give an assurance that no person's freedom will be taken away unless there are grave reasons for their doing so. Freedom is the natural right of every citizen and no man need be asked to give an assurance as to why he should be kept free. It is the man who deprives another person of his freedom who must give assurances and must also give justification for his act. I feel that whatever view we may take about the civil disobedience movement, we must agree that among those who are at present in jail for political reasons there are some who were never tried; there are many who have not committed any grave offences, but who have been sent to jail for long terms of imprisonment for merely nominal offences, acts which are made offences only on account of special Ordinances and special Criminal legislation. I feel that even the civil disobedience movement, a movement of non-payment of taxes, is a constitutional movement. We may not agree with that movement as a matter of policy; but to say that a man who refuses to pay taxes commits an unconstitutional act is, in my judgment, to ignore history. I feel that those people who have gone to jail for political reasons are certainly different from those people who go to jail for other offences. At least the British Government have treated people who go to jail for political offences, differently from those who go to jail for other offences. The British Government have not hesitated to deal on friendly terms with those people who had rebelled against their authority. Take the case of the Boers who conducted a war against Britain in South Africa. Are not the British Government now dealing with those people on friendly terms? Again, are not the Government dealing with the leaders of the Irish rebellion on friendly terms? My friend, the Honourable the Home Member, may say that we are dealing with them on friendly terms after they have made a treaty. May I ask, whether the Honourable the Home Member wants the civil disobedience movement in this country to grow to such an extent that there will be no settlement without a treaty? If he is waiting for a treaty, it is quite possible that the

movement may grow to such an extent that it could only be ended by a treaty. I, therefore, feel that it is wrong for Government to wait to offer the hand of friendship to those people for a treaty being made between the Government and these political prisoners. The Government of India should also take into consideration the prospects of those people who had undertaken the civil disobedience movement continuing hereafter the policy of civil disobedience. If they dispassionately consider the situation in the country, and also consider the conduct of those people who have come out of the jail, I am sure, they will come to the conclusion that the prospects of a revival of the civil disobedience movement are very meagre indeed. I have myself seen many Congressmen, who have come out of the jail, and I have talked with them, and from my talks with them I have come to the conclusion that the chances of the Congressmen reviving the civil disobedience movement are very small. Moreover the acts of such Congressmen, such as their taking up the anti-untouchability movement and asking the legislators to be interested in the passing of anti-untouchability legislation and their willingness to consider the White Paper are a sure sign that the Congressmen are anxious to reconsider their position. But I feel that Congressmen are ordinary human beings. None of us would like to reconsider our position and our policy under duress. It is not human nature that a man would allow himself to be coerced to change his policy. It is only a man who has the responsibility of a free man who will reconsider his policy and, if necessary, change that policy. I, therefore, feel that it is wrong for Government to expect people who are in jail to reconsider their position.

If the Government of India and the Secretary of State want the Congressmen to reconsider their policy and adopt a new policy, a policy of constitutional methods, the first thing necessary to be done is that these Congressmen should be released. I feel that if the Government of India do not release the prisoners now and if they wait for the release of the prisoners till they either get an assurance from the Congressmen or till they see that the Congress movement is dead, my fear is that the Government of India will have to wait too long. The Congressmen may not agree to give an assurance; they may be willing to reconsider their position, if they are freed, but to expect them to admit that they have made a mistake, and to tender an apology or even to expect them to give assurances that they will adopt a new policy is to expect a thing which should not be expected from human nature. Then, if the Government of India also want to wait till the Congress movement is dead, they will have to wait, I am afraid, for too long. The Congress movement today is checked, and checked to a very great extent, but, Mr. Chairman, let me assure this House that the sympathy of the people for the Congress movement is not dead. The longer you keep the Congressmen in jail, the greater is the sympathy which the people will feel for them. I, therefore, feel that if the Congressmen are kept in jail too long, there is not only the danger of people sympathising with them to a greater extent, but there is also the danger of that sympathy being more active. Therefore, it seems to me that the right policy for the Government is to release the prisoners.

It has been admitted both by the Government of India and by the Secretary of State that the Congress movement has been kept in proper check. If that is so, I feel that the object which the Government of India had in view has been served. If the Congress movement has been checked, and if the civil disobedience movement is also kept under control, there is

[Mr. N. M. Joshi.]

absolutely no reason why those people who had taken part in this movement should be kept in jail any longer. To keep these people in jail any longer, is in my humble judgment, vindictiveness, and vindictiveness will never succeed. The Government of India, after all, depend upon the sympathy of the public in their administration, and if the people once feel that the Congressmen are kept in jail longer, not because it is necessary to keep them there, but because Government want to stand on their prestige and so they do not want to release them, Government will lose the sympathy of the public.

I also feel that it is not right for the Government to ask for assurances from the Congressmen, because it is asking people to humiliate themselves. What will Government gain by humiliating the Congress? I, therefore, feel that the Government of India should not try to humiliate the Congress. Let the Government of India give up their policy of vindictiveness; let them be a little more humble themselves and understand the difficulties of those people who have to confess their mistakes. I feel that the Government of India should adopt a more generous policy, and instead of asking Congressmen to give an apology, instead of asking Congressmen to change their policy before they are released, let the Government of India be generous and release these prisoners. If they release these prisoners, the Government of India will get the sympathy of the people, the Government of India will get the Congressmen to reconsider their policy and their conduct. If this policy is adopted, Government will also be enabling the Congressmen to give a proper consideration to the constitutional question. The greatest thing for the whole country is that the constitutional question should be properly settled. Sir Tej Bahadur Sapru has stated very recently,—he also stated it before the Round Table Conference,—that if the proposals are to receive a calm and dispassionate consideration, then it is necessary that those people who are in jails should be released immediately. Mr. Chairman, I support this Resolution.

Mr. A. Hoon (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): Sir, I respectfully crave the indulgence of the House to make a motion that the subject matter of the discussion of this morning be postponed till the 31st of March, which is the next date allotted for non-official Resolutions. Sir, while I am fully conscious of my duty towards my country, while I am fully conscious of the devotion which I bear towards Mahatma Gandhi, I am also fully conscious of my duty as a Member of this House.

Sir, there is no doubt that Mahatma Gandhi is respected as a saint not only in India, but that he has earned the world wide reputation of possessing the purest of character and the highest instinct of self-respect and self-sacrifice. At the same time, there is no doubt that, as far as political views are concerned, there is a great difference of opinion between him and other people. Similarly, Sir, Maulvi Kifayatullah, who is very highly respected by Indians in general and by his co-religionists in particular, is a very prominent figure in this country, but fortunately there are again political differences of opinion between him and other people. Well, Sir, when Mahatma Gandhi was sent to jail, the Government had no quarrel with his private character, and the difference with him was only with regard to his political views. When people ask

the Government to release Mahatma Gandhi, the Government come out and say "We have got political considerations to weigh before we come to any decision". Sir, I, as a Member of this House, say that if we are asked to give our final vote on this question, we also have to give our thought to some serious political considerations before we can honestly perform our duty in this House. My friend, Sir Muhammad Yakub, said that on a question of this kind a mere "Yes", or a mere "No" was no answer. All sorts of things have got to be considered. Stock has got to be taken of the situation before we give our vote to one side or the other. If the trouble is entirely political, if the causes for the incarceration of Mahatma Gandhi are only political, I submit that political considerations should weigh very heavily at this time in the minds of all Honourable Members who want to vote on this motion. Since all the fundamental points which are likely to formulate a constitution for the country are in the melting pot, I submit, very humbly, and I believe my Honourable friends will agree with me, that at this particular moment it is not possible for us to do clear thinking on this question. We are unable to visualise the true perspective on the political horizon, because we really do not know what is coming out of the White Paper which we expect would be out by the third week of March. Sir, the country as a whole will have to give its verdict on the White Paper, and I submit that it will be then and then alone that we shall be in a better position to give a more sincere and honest opinion on the question of the release of the political prisoners. With these remarks, I commend my motion to the Honourable Members of this House, and I appeal that they will support me in asking for a postponement of this discussion till the 31st of March next.

Mr. Chairman (Sir Hari Singh Gour): Order, order. Motion moved:

"That the further consideration of this motion be postponed till the 31st of March, 1933."

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): When Sir Muhammad Yakub was speaking, he was sorry that the name of Maulvi Kifayatullah was linked with that of Mahatma Gandhi. I believe he did not mean by it any disrespect to Mahatma Gandhi. His object was only to show that the reason why Maulvi Kifayatullah was in prison was quite a different one from the reason for Mahatma Gandhi's imprisonment. He did not, I believe, mean any disrespect, for we all know that not only every Member of the Government has got great respect for Mahatma Gandhi, but throughout the world, whosoever is acquainted with Mahatma Gandhi's name respects him. The question of releasing Mahatma Gandhi has been brought up several times before this House. I personally think that in the present mood of Government, it is no good

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): On a point of order. How is this relevant to the present motion?

Diwan Bahadur Harbilas Sarda: I am speaking on the adjournment motion. I do not think it is any good to bring this question constantly before this House. It is perfectly certain that Government follow their own plan in the matter. No amount of expression of public feeling or public opinion will compel them to defect from that course.

Mr. N. N. Anklesaria: On a point of order, Sir. How is this relevant?

[1st MARCH 1933.]

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member can interpret it in his own way.

Diwan Bahadur Harbilas Sarda: Therefore I would advise that it is not much good discussing this matter now. When the White Paper comes out, if the Government think that without detriment to their plan, Mahatma Gandhi can be released, they will do so. If they think otherwise, they will not do so. But so far as this House is concerned, it is no use discussing this question much further. Not only do I support that this debate be adjourned, I for my part would advise the Honourable Member to withdraw his motion, as I find it would be in the interest of all not to pursue this matter at the present time.

The Honourable Sir Brojendra Mitter (Leader of the House): I will explain Government's position on the proposal which has been made by my Honourable friend, Mr. Hoon. He said that at the present moment Members found some embarrassment in coming to a conclusion as to which way to vote, and further time might enable them to make up their minds with greater definiteness. So far as Government policy is concerned, I wish to make it perfectly clear that that policy has been adopted after full consideration and we are quite prepared to state our reasons in support of that policy. But if Honourable Members feel any embarrassment with regard to voting on this motion, we shall have no objection to the Resolution being adjourned till the 31st March, 1933.

Mr. Chairman (Sir Hari Singh Gour): The question is:

"That the further consideration of this motion be postponed till the 31st of March, 1933."

The motion was adopted.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): Sir, I do not move my Resolution.*

Mr. Chairman (Sir Hari Singh Gour): Seth Liladhar Chaudhury has authorised Raja Sir Vasudeva Rajah to move his Resolution.†

Mr. Goswami M. R. Puri (Central Provinces: Landholders): As Raja Sir Vasudeva Rajah is ill, he has authorised me to move this on his behalf.

Mr. Chairman (Sir Hari Singh Gour): Has the Honourable Member the written authority of Raja Sir Vasudeva Rajah?

Mr. Goswami M. R. Puri: No, Sir. I can produce a letter from him in writing.

Mr. Chairman (Sir Hari Singh Gour): The Chair is precluded from considering any authority, which is not in writing, under the Standing Orders.

*"That this Assembly recommends to the Governor General in Council to take immediate steps for changing the policy, system of education and courses of instruction in Schools and Colleges."

†"That this Assembly recommends to the Governor General in Council to give encouragement to the Indian Film Industry which is still in its infancy by removing the Import Duty on raw films as recommended by the Indian Cinematograph Committee, 1927-28."

RESOLUTION RE DEBENTURES OF THE CENTRAL LAND MORTGAGE BANK OF MADRAS.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, I beg to move:

"That this Assembly recommends to the Governor General in Council that section 20 of the Indian Trust Act, 1882, may be so amended as to declare the debentures of the Central Land Mortgage Bank of Madras as trustee securities."

Honourable Members who were here yesterday must have known from the number of supplementary questions we asked how anxious we Members coming from Madras are about this matter. In the Madras Presidency, there are about 45 primary land mortgage banks scattered throughout the Presidency advancing long term loans to the agriculturists and the Central Land Mortgage Bank of Madras is the central institution appointed to organise, regulate and control these primary banks. Under the Articles of Association of these banks, the primary banks issue loans to their clients to the extent of 50 per cent. of the value of the lands, the value being appraised by Government servants. The Local Government have deputed their own servants for this purpose. Therefore the question of the value or solvency of these mortgages does not arise at all. The debentures under reference are issued by the Central Bank on the security of, and backed by, these mortgages, and the Government of Madras guarantee the payment of interest if the bank fails to pay them regularly and arrangements for their redemption are also made. Considerable difficulty has been felt for want of funds for the satisfactory working of these institutions. The Registrar of Co-operative Societies recommended to the Madras Government that these debentures may be given the status of trustee securities throughout India with a view to attracting surplus funds at the disposal of trustees. Of course it was first suggested that according to the rule making powers of the Madras High Court, the High Court may be approached to declare these as trustee securities, but it was thought, if that was done, only investors in the Madras Presidency would be competent to advance money on this. The Honourable the Judges of the Madras High Court considered it would be more advantageous if an Act were passed by this Legislature to amend section 20 of the Trust Act on the analogy of Act XXI of 1917. The Government of Madras decided that legislation would be more useful and made representations to the Government of India to that effect. As lately as August, 1931, the Government of India promised that they would undertake the necessary legislation in the Simla Session of the Assembly that year. But, somehow or other, for reasons best known to themselves, the proposal did not mature and, by December, they changed their views and said that these loans were of a provincial character and that, therefore, they would not introduce the necessary legislation. But, Sir, if these loans are only of a provincial character, I may say that there are other loans of a provincial character, which are exactly on the same footing as this, such as the Bombay Improvement Trust Loan, the Bombay Port Trust Loan, the Calcutta Municipal Loan, the Madras Municipal Loan, and many others, all of which are treated as trustee securities. There is absolutely no reason for differentiating those loans from the debentures of the Madras Central Mortgage Banks. The Government of India replied to the Madras Government that they might again approach the Madras High Court to seek such remedy as they could afford, but the Madras High Court, owing to

[Mr. K. P. Thampan.]

differences of opinion among the Judges, refused to interfere in this matter. Therefore it is absolutely necessary that the required legislation should be undertaken promptly in this House. The Townsend Committee, which reviewed the whole working of co-operative societies in Madras, strongly recommended that the debentures of the Madras Central Land Mortgage Bank have to be treated as trustee securities if it should function properly. So also the Royal Commission on Agriculture and the Banking Enquiry Committee have both unanimously recommended such a procedure. It is done in all foreign countries. Sir, the necessity for this has been acknowledged by all people who have had anything to do with such undertakings and it is, therefore, highly necessary, in the interests of the poor and indebted agriculturists for whose benefit these banks are working, that their debentures should be treated as trustee securities without the least possible delay. I have nothing more to add. I respectfully commend this Resolution for the acceptance of this House.

Mr. F. E. James (Madras: European): Sir, I desire to support this Resolution moved by my Honourable friend, Mr. Thampan, as strongly as possible. The Honourable Member from Malabar has referred to the recommendations of the Royal Commission on Agriculture and of the Indian Central Banking Enquiry Committee. I would like to place before the Honourable the Finance Member an extract from the latest report of the working of the Co-operative Societies in the Presidency of Madras in which the Registrar states that he desires to put in a special plea for the debentures of the Central Land Mortgage Bank. As for it,

"The interest, in the first place",

he goes on to say,—

"is guaranteed by Government till the debentures are repaid, which practically means a guarantee of the principal. Governments, of course, may go bankrupt, but behind Government in this case are the first mortgages of land, and behind this, the good earth. Experience in other countries has proved that land mortgage debentures have maintained their prices in the market even when Government securities are falling".

In this particular case, I know the workings of this bank fairly intimately. Before the Directors sanction any loans, they satisfy themselves that the net income from the land mortgaged is at least equal to the annual instalment due on the loan, that the borrower has sufficient outside sources of income to support himself and his family, that the borrower has a good title to the land mortgaged, that the value of the land mortgaged is at least twice the amount of the loan, and that the outstanding debts are fully discharged. Therefore, the House will see that every possible care is taken and that it would require a very special combination of adverse circumstances before loans could be proved bad. The Registrar, Co-operative Societies, goes on, in his report to Government, to say:

"I am in a position to repeat the assurance I have given in the previous Administration Report that the high standard set up by the President and the Vice-President of this Bank is maintained."

Now, I will not go into a history of the previous representations that have been made to the Government of India on this point. Some of these have already been covered by the Honourable Member who preceded me. I would, however, like to remind the Honourable the

Finance Member that what we are seeking to obtain now has received the unanimous support of two Registrars' Conferences, the Townsend Committee on Co-operation and, as I have already said, the Royal Commission on Agriculture and the Central Banking Enquiry Committee.

Now, I understand there have been various objections which have been urged against the declaration of these debentures as trustee securities. In the first place, it is said that the debentures of this Bank are a new class of provincial securities and that until the principles on which additions should be made to the list of all-India trustee securities have been decided, legislation cannot be undertaken. Well, Sir, it has been already pointed out that the debentures of the Bombay Provincial Co-operative Bank are included in the list of all-India securities listed under section 20 of the Indian Trusts Act; and the debentures of the Bank for which we are making our representation are on exactly the same footing as those of the Bombay Provincial Co-operative Bank. Therefore, it is not understood why objection should be raised that we are seeking to include under section 20 a new class of provincial securities. Moreover, debentures issued under the authority of an Act of a local Legislature or by or on behalf of any municipal body, Port Trust, or City Improvement Trust in any Presidency town or in Rangoon or Karachi are already on the list of such securities though they are all securities of a provincial character. That being so, the question is, why should the debentures of this Bank be excluded from the list?

Then, Sir, there is another point which I should like to make, and that is a positive point. It is that a land mortgage bank is really the pivot of the co-operative movement in so far as it affects the agricultural classes of the country. You will find that in other countries this question of agricultural credits is receiving the closest possible attention and every facility is being given to the extension of this principle. The recommendation of the Committees and Commissions to which I have referred is based upon the almost universal practice in Europe and America of declaring debentures of land mortgage banks as trustee securities. Even so recently as 1928, the Agricultural Credits Bill, which passed through the British Parliament, had for its purpose the provision of long term loans on the mortgage of agricultural lands. Even before the Agricultural Credits Company, which dealt with this matter, was incorporated, Parliament made a declaration by statute to the intending investors that the debentures of the proposed Company would be included in the list of trustee securities. It was, with a view to establishing them in the market as expeditiously as possible, that this declaration by a Parliamentary Act was made.

The Central Land Mortgage Bank can stand on its own feet undoubtedly, but it cannot advance without the help for which we are now asking. Its intrinsic stability, as I have already pointed out, under the system which has now been devised for its control and under its present management cannot, I think, be doubted by any impartial observer. The reason why this declaration which we are seeking is required is that the Bank needs long term money since its loans must be mostly for 20 years and upwards, and neither individuals nor institutions can invest money to a large extent in 20-year paper unless that paper is readily negotiable. I understand that the Bank in question has received assurances from some of the insurance companies to the effect that if the debentures of the Bank were declared as trustee securities, they would be willing to invest in them. I believe it is the opinion of the Government of Madras

[Mr. K. P. Thampan.]

differences of opinion among the Judges, refused to interfere in this matter. Therefore it is absolutely necessary that the required legislation should be undertaken promptly in this House. The Townsend Committee, which reviewed the whole working of co-operative societies in Madras, strongly recommended that the debentures of the Madras Central Land Mortgage Bank have to be treated as trustee securities if it should function properly. So also the Royal Commission on Agriculture and the Banking Enquiry Committee have both unanimously recommended such a procedure. It is done in all foreign countries. Sir, the necessity for this has been acknowledged by all people who have had anything to do with such undertakings and it is, therefore, highly necessary, in the interests of the poor and indebted agriculturists for whose benefit these banks are working, that their debentures should be treated as trustee securities without the least possible delay. I have nothing more to add. I respectfully commend this Resolution for the acceptance of this House.

Mr. F. E. James (Madras: European): Sir, I desire to support this Resolution moved by my Honourable friend, Mr. Thampan, as strongly as possible. The Honourable Member from Malabar has referred to the recommendations of the Royal Commission on Agriculture and of the Indian Central Banking Enquiry Committee. I would like to place before the Honourable the Finance Member an extract from the latest report of the working of the Co-operative Societies in the Presidency of Madras in which the Registrar states that he desires to put in a special plea for the debentures of the Central Land Mortgage Bank. As for it,

“The interest, in the first place”,

he goes on to say,—

“is guaranteed by Government till the debentures are repaid, which practically means a guarantee of the principal. Governments, of course, may go bankrupt, but behind Government in this case are the first mortgages of land, and behind this, the good earth. Experience in other countries has proved that land mortgage debentures have maintained their prices in the market even when Government securities are falling”.

In this particular case, I know the workings of this bank fairly intimately. Before the Directors sanction any loans, they satisfy themselves that the net income from the land mortgaged is at least equal to the annual instalment due on the loan, that the borrower has sufficient outside sources of income to support himself and his family, that the borrower has a good title to the land mortgaged, that the value of the land mortgaged is at least twice the amount of the loan, and that the outstanding debts are fully discharged. Therefore, the House will see that every possible care is taken and that it would require a very special combination of adverse circumstances before loans could be proved bad. The Registrar, Co-operative Societies, goes on, in his report to Government, to say:

“I am in a position to repeat the assurance I have given in the previous Administration Report that the high standard set up by the President and the Vice-President of this Bank is maintained.”

Now, I will not go into a history of the previous representations that have been made to the Government of India on this point. Some of these have already been covered by the Honourable Member who preceded me. I would, however, like to remind the Honourable the

Finance Member that what we are seeking to obtain now has received the unanimous support of two Registrars' Conferences, the Townsend Committee on Co-operation and, as I have already said, the Royal Commission on Agriculture and the Central Banking Enquiry Committee.

Now, I understand there have been various objections which have been urged against the declaration of these debentures as trustee securities. In the first place, it is said that the debentures of this Bank are a new class of provincial securities and that until the principles on which additions should be made to the list of all-India trustee securities have been decided, legislation cannot be undertaken. Well, Sir, it has been already pointed out that the debentures of the Bombay Provincial Co-operative Bank are included in the list of all-India securities listed under section 20 of the Indian Trusts Act; and the debentures of the Bank for which we are making our representation are on exactly the same footing as those of the Bombay Provincial Co-operative Bank. Therefore, it is not understood why objection should be raised that we are seeking to include under section 20 a new class of provincial securities. Moreover, debentures issued under the authority of an Act of a local Legislature or by or on behalf of any municipal body, Port Trust, or City Improvement Trust in any Presidency town or in Rangoon or Karachi are already on the list of such securities though they are all securities of a provincial character. That being so, the question is, why should the debentures of this Bank be excluded from the list?

Then, Sir, there is another point which I should like to make, and that is a positive point. It is that a land mortgage bank is really the pivot of the co-operative movement in so far as it affects the agricultural classes of the country. You will find that in other countries this question of agricultural credits is receiving the closest possible attention and every facility is being given to the extension of this principle. The recommendation of the Committees and Commissions to which I have referred is based upon the almost universal practice in Europe and America of declaring debentures of land mortgage banks as trustee securities. Even so recently as 1928, the Agricultural Credits Bill, which passed through the British Parliament, had for its purpose the provision of long term loans on the mortgage of agricultural lands. Even before the Agricultural Credits Company, which dealt with this matter, was incorporated, Parliament made a declaration by statute to the intending investors that the debentures of the proposed Company would be included in the list of trustee securities. It was, with a view to establishing them in the market as expeditiously as possible, that this declaration by a Parliamentary Act was made.

The Central Land Mortgage Bank can stand on its own feet undoubtedly, but it cannot advance without the help for which we are now asking. Its intrinsic stability, as I have already pointed out, under the system which has now been devised for its control and under its present management cannot, I think, be doubted by any impartial observer. The reason why this declaration which we are seeking is required is that the Bank needs long term money since its loans must be mostly for 20 years and upwards, and neither individuals nor institutions can invest money to a large extent in 20-year paper unless that paper is readily negotiable. I understand that the Bank in question has received assurances from some of the insurance companies to the effect that if the debentures of the Bank were declared as trustee securities, they would be willing to invest in them. I believe it is the opinion of the Government of Madras

[Mr. F. E. James.]

that the Bank needs about a crore of rupees in the next few years if it is really to make any impression on the rural debt problem. Investment of that order can only be expected from large institutions and companies and those large institutions and companies will not invest to any extent unless the securities are declared as trustee securities. Therefore, if the debentures cannot be given this trustee status, the business of the Bank will be severely limited and a severely limited land mortgage bank cannot make any impression whatsoever upon an agricultural indebtedness of over 150 crores.

Sir, we heard yesterday from the Finance Member in his very remarkable speech introducing the Budget, references to the steady level of consumption on the part of the masses. Our experience is that for various reasons the indebtedness of the masses is yearly becoming worse and that there is no room whatsoever for any complacency in regard to agricultural indebtedness. The authorities in Madras, those who are interested in the co-operative movement, Government officials, the Government of Madras themselves, are at one in realising that only by a proper working of a land mortgage bank can you make the slightest impression upon the one thing that is the greatest burden on the agriculturist, namely, the burden of debt. And here we have a Bank whose interest is guaranteed by the Government of Madras for a length of time, whose organisation is in excellent hands and to which tribute has repeatedly been paid by the Registrar of Co-operative Societies, crippled in its initial stages, because it cannot get recognition from the Government of India in regard to coming under section 20 of the Indian Trusts Act. There may be a reason for this refusal on the part of the Government of India of which we are unaware, which at present we do not understand; and I hope that if that is the case, the Honourable the Finance Member will enlighten us and this House. But unless there are some very valid reasons which have not as yet been communicated to us, we do desire most distinctly to press this motion on the Honourable Member. During the past three years in the Madras Presidency, 45 primary land mortgage banks have been started and a large staff of appraisers has been appointed by the Government. The whole organisation is now in working order. This one thing is required to set Madras where, I think, far more progress has been made than in any other province,—to set Madras on its feet in combating this great indebtedness among the agricultural classes. If the Honourable Member will help us in this respect, I am sure, the whole of Madras will be grateful to him and his Government.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City Non-Muham-madan Urban): Sir, a couple of days ago when this question was raised by way of interpellation, I was not quite sure which Department had dealt with this question and which Department was responsible for the reply that was sent to the Central Land Mortgage Bank. I was not quite sure whether it was the administrative Department which looked askance at proposals coming from the Madras Government or whether it was the Finance Department which rejected the requests that came from the Madras Presidency. Finding the Finance Member in his place today to listen to this debate, I venture to think that the real reply came from that Department, and I would, therefore, like to address myself to

the financial implications of this question. My two friends who have preceded me have dealt very amply with the merits of the Central Land Mortgage Bank that has been established in Madras, the purpose that it is intended to serve and the great help that it would be if this purpose were carried out in relieving the indebtedness of the rural and agricultural population of the Presidency. I need not repeat here the testimony that has been borne to the excellence of the work of the Central Land Mortgage Bank in Madras, to its solvency and to its financial status, because the recommendations of the Registrar of Co-operative Societies (a high European Civilian official), and the recommendations of the Government of Madras are sufficient answer to those who may doubt either its status or its financial position.

Now, Sir, that Central Land Mortgage Bank finds itself in a very invidious position because it is unable to secure debenture money by means of trustee securities being invested in them. The financial position of the Bank, as I said, is absolutely sound and the Government of Madras has made itself further a guarantor of that soundness. In the first place it guarantees an interest of $6\frac{1}{2}$ per cent. on all debenture holders for the first five years; in the second place, it has appointed a trustee of debenture holders who is represented by an official, the Registrar of Co-operative Societies, and who can intervene at any stage on behalf of debenture holders. Therefore, there can be nothing wrong with the society itself which is as much a public body as any municipal corporation, district board or port trust all of which have got powers to include, if they choose to raise loans, in their loan operations trustee securities. What then am I to understand is the real reason why this request has been turned down? My Honourable friend referred to various communications which had been received from the Central Government on the subject. It looks as if during the period of the last three years they have been wavering in their own mind on the subject. They sent repeatedly orders which were contradictory of each other. They asked the Bank to approach the High Court, to ask that their debentures may be included in trustee securities. When the High Court refused to do that and when the Provincial Government further pressed them in the matter in a communication that was sent in the year 1931, they said that legislation on the subject will be undertaken at the Simla Session.

1 P.M. Since then the decision seems to have been reversed and the Honourable the Finance Member told the House the other day that it may not be possible to have legislation on the subject. The question of including these debentures in the trustee securities had formed the subject of discussion by various authoritative Committees. My Honourable friend has referred to the Townsend Committee which made a specific recommendation on the matter. That was a local Committee appointed by the Government of Madras and presided over by Mr. Townsend, an official from the Bombay Presidency.

The Honourable Sir Frank Noyce: (Member for Industries and Labour): May I interrupt the Honourable Member? Mr. Townsend comes from the Punjab.

Diwan Bahadur A. Ramaswami Mudaliar: I am very glad. The farther he is from Madras the more dispassionate is the judgment likely to be.

[Diwan Bahadur A. Ramaswami Mudaliar.]

Now, Sir, the Royal Commission on Agriculture in their Report dealt with this question. They said:

"Under Act XXI of 1917, the debentures of the Bombay Provincial Co-operative Bank have been included in the list of securities given in section 20 of the Indian Trusts Act, 1882. We do not think that any objection can be taken to this course. In the agreement with the bank in which the local Government guarantee the interest on these debentures, they have taken ample power to interfere in case of mal-administration and this appears sufficient to reduce the risk of loss to the holders of the debentures to a minimum. We, therefore, recommend that the debentures of Co-operative Land Mortgage Banks registered under the Co-operative Societies Act, which are similarly secured, and the interest on which is guaranteed by the local Government should be added to the list of trustee securities."

I venture to submit, Mr. Chairman, that the Madras Central Mortgage Bank specifically complies with all the requirements laid down by the Royal Commission on Agriculture. Its debenture interest has been guaranteed by the Local Government; the Local Government, as I have shown, have ample powers to interfere, so that no mal-administration can take place, and it has been stated by the high officials of the Government of Madras that the affairs of this Bank are above reproach. Then, the Indian Central Banking Enquiry Committee, which reported a little later, under the presidency of Sir Bhupendra Nath Mitra, made the following recommendation:

"We further agree that these debentures, the interest of which is guaranteed by Government as recommended above, should be included among trustee securities provided Government is satisfied that adequate arrangements have been made by the Bank for the redemption of these debentures at regular intervals."

Now, Sir, that satisfaction is to be had from the recommendation of the Government of Madras, and I do not think it will be put forward by the Honourable the Finance Member that any consideration arising out of that is deterring him from including these under trustee securities. What then is the reason why the Honourable the Finance Member is not able to see eye to eye with us and include these things in the trustee securities. In Bombay, it has been done. The Bombay Government have no doubt guaranteed the interests on these debentures, but look at the position of Bombay compared with the position of Madras. My Honourable friend, Sir Cowasji Jehangir, ventured to suggest a few minutes ago that Bombay people are more respectable than the Madras people; if, Sir, being in a position to produce deficit budgets year after year, unable to make your budget balance, approaching the Government of India for doles with reference to surcharges that my Honourable friend, Sir George Schuster, indicated yesterday, being in a position to beg the Government of India for a little relief by way of stamp duty on cheques which will probably produce 2 or 2½ lakhs a year, if this is the kind of respectability that Sir Cowasji Jehangir is thinking of all I can say is that we are not anxious to remain in the same grade of respectability as my Bombay friends. The Government of Madras had a surplus of 135 lakhs last year. It is going to have an ample surplus this year also. It is building up its reserves. I may not agree with the policy of the Government of Madras in its policy of raising more taxation than is necessary, and following the old policy of building up reserves. But apart from that question, here is a Provincial Government whose financial stability is absolutely sound, to whose financial position you cannot raise any objection and it is guaranteeing interests and looking after these debentures. If Bombay

should have the privilege, why should not Madras have the same privilege? We are not asking for a Bill or legislation for uniform application in all provinces. We want a Bill only for the Madras Presidency whose position is sound. The co-operative movement has made special headway in the Madras Presidency. My Honourable friend, Sir Frank Noyce, had at one time of his career to deal with this question, and he knows the position of co-operative movement in Madras,—how it is spreading from district to district, from village to village and how the systems of village communal life in Madras help the propagation of this movement. It has been taken up by every person in the villages in Madras, and you will find that results of the co-operative movement are the greatest in Madras. Why on earth should this Central Government, merely by refusing this power of legislation, put a handicap in our way? Now, Sir, I am not sure whether my Honourable friend is thinking of considerations of high finance in connection with this Resolution. Am I to understand that to make their loan operations successful they should restrict as far as possible the investment of Trust funds in such securities and their absorption by various kinds of loans raised by other bodies? Debentures of the Mortgage Bank are after all a kind of loan that is raised by the Central Land Mortgage Bank and if his idea is that his own operations in the loan market will not be helped or will be considerably hampered, because the land mortgage bank will absorb a large amount of trustee securities which otherwise will come into his hands, then I venture to suggest that he is not doing justice to his own capacity for absorbing these trust funds or to the capacity of the land mortgage bank to absorb them.

Now, Sir, the Honourable the Finance Member yesterday indicated to us that he had just completed a large conversion loan, unique in the financial history of this country and that he has been able to get 32 crores of rupees by way of conversion. He has also been able to tell us that his last loan operation floated in the market was successful. He also indicated and it is quite clear from the Budget, that the capital programme of the Railways or any other productive source is practically nil, and that, therefore, opportunities for the investing public to invest their money are very few indeed. In fact such were the reasons why he told us that those who have not taken advantage of his scheme will repent for not showing sufficient alacrity in the matter. I am with him in all that he has said. I shall only say that there is still a large amount of money lying idle and uninvested and which can be well invested in these debentures if only he removes the impediment that is standing in the way. People may like to invest in forms of security which are near their homes and which they can watch and whose operations they are aware of, rather than in securities of the Government of India. Why should you not give them an opportunity?

My Honourable friend, Mr. James, referred to insurance companies that would want to invest in these debentures. The Honourable the Finance Member is aware that Indian insurance companies are springing up very fast all over the country. In the Madras Presidency itself, I believe that there are three insurance companies working. The idea that insurance companies, indigenous in their nature, should start and try to take the custom which has been going to foreign companies has spread all over the country, and insurance companies are going to be a success, provided they are well managed. Why should you not give these

[Diwan Bahadur A. Ramaswami Mudaliar.]

insurance companies an opportunity of investing in these securities?—because the insurance companies cannot invest in these securities, unless you give them the legal power to do so.

If I might revert to the question of the soundness of this Bank for a moment, I would like to state that:

“the debentures are supported by the mortgages of immovable property and under the by-laws of this bank the debentures cannot be issued unless they are supported by mortgages transferred to it by the affiliated mortgage banks of a value equal to the value of the debentures proposed to be issued.”

Every debenture, therefore, is covered to that extent by a first mortgage on the landed property either of the Central Bank itself or of its primary banks. The debentures are, therefore, backed by first mortgage securities executed in favour of the primary banks and the central mortgage bank and are covered by the debentures issued by the Bank

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member has exceeded his time.

Diwan Bahadur A. Ramaswami Mudaliar: I am very sorry: I would only urge, therefore, that the Honourable the Finance Member should undertake legislation on the subject applicable only to the Presidency of Madras, because I do venture once more to state in this House that the Presidency of Madras is in a unique position.

(Mr. Muhammad Azhar Ali rose to speak.)

Mr. Chairman (Sir Hari Singh Gour): How long is the Honourable Member going to take?

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): Sir, I shall finish in five minutes. I remember the history of these debentures when I was a member of the MacLagan Committee on co-operation and the question then was, whether this favour, which was extended to the Bombay Central Bank about these debentures, could not be extended to the whole of India. In Madras, we find that there is a supplementary security of land mortgage also which was not in those days given by the Bombay Central Bank. I really fail to see how the Government of India should have extended this favour to the Bombay Bank and when it comes to be a question of extending the same favour to the Madras Central Bank, which gives another and auxiliary security of land mortgage, I do not see why the Government of India should fail in giving help to the Madras Central Bank. These debentures in Bombay were guaranteed by the Bombay Government. Here I find that these debentures are again guaranteed by the Madras Government and so I do not see any reason why there should be any discrimination between the two Presidencies and why the same favour should not be extended at present in the case of Madras and also if other provinces come forward with a similar guarantee of land mortgages, and also of their own Provincial Governments—I see absolutely no reason why the Government of India should not include and give the people of Madras the liberty to invest their reserve money or other money which they have in their pockets in the shape of debentures.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

Mr. Chairman (Sir Hari Singh Gour): Further consideration of Mr. Thampan's Resolution.

Mr. S. G. Jog (Berar Representative): Sir, the Resolution under discussion is:

“That this Assembly recommends to the Governor General in Council that section of the Indian Trust Act, 1882, may be so amended as to declare the debentures of Central Land Mortgage Bank of Madras as trustee securities.”

The discussion has so far proceeded on those lines, but nobody seems to have read the Indian Trusts Act. I will just read section 20 of the Indian Trust Act for the information of Honourable Members:

“Where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust the trustee is bound (subject to any direction contained in the instrument of trust) to invest the money on the following securities, and on no others:

- (a) in promissory notes, debentures, stock or other securities of any Local Government or of the Government of India, or of the United Kingdom of Great Britain and Ireland;
- (b) in bonds, debentures and annuities charged by the Imperial Parliament on the revenues of India;
- (bb) in India three and a half per cent. stock, India three per cent. stock, India two and a half per cent. stock or any other capital stock which may at any time hereafter be issued by the Secretary of State for India in Council under the authority of an Act of Parliament and charged on the revenues of India;
- (c) in stock or debentures of, or shares in, Railway or other Companies the interest whereon shall have been guaranteed by the Secretary of State for India in Council or by the Government of India or in debentures of the Bombay Provincial Co-operative Bank, Limited, the interest whereon shall have been guaranteed, by the Secretary of State for India in Council;
- (d) in debentures or other securities for money issued, under the authority of any Act of a Legislature established in British India, by or on behalf of any municipal body, port trust or city improvement Trust in any Presidency town, or in Rangoon Town, or by or on behalf of the trustees of the port of Karachi;
- (e) on a first mortgage of immovable property situate in British India: Provided that the property is not a leasehold for a term of years and that the value of the property exceeds by one-third, or, if consisting of buildings exceeds by one-half, the mortgage money; or
- (f) on any other security expressly authorised by the instrument of trust, or by any rule which the High Court may from time to time prescribe in this behalf.”

The concluding portion of this section is clause (f) and refers to “any other security expressly authorised by the instrument of trust”. The Act really contemplates that on the security of immoveable property these trust moneys can be invested. So the principle embodied in this Resolution is not at all a new one. But then the obstacle for the time being is that except those securities recognised under section 20, the trust moneys cannot be invested in any other kind of security, and, therefore, it is necessary to amend this section. This Act was passed in 1882, and much

[Mr. S. G. Jog.]

water has flown down the bridge. Since then a number of other securities, quite as good and solvent as those mentioned, have come into existence. For instance, the Provincial Governments are also having different securities, so also the Central Mortgage Banks are having their own securities which are quite solvent, and many people would like that their trust money should be invested on these securities, but then this legal objection stands in the way. In fact, legislation to meet this object should have been undertaken by Government themselves to remedy this defect, because many years have elapsed since the Act of 1892 was passed. I, therefore, feel that the Resolution is a very sound one and the recommendation contained therein should be accepted by the Government and the consequential amendments should also be made by Government. In my own Province, some difficulties have been experienced, and we also feel the necessity of a change in the law. Land Mortgage Banks are cropping up in many provinces, in fact there is a regular demand in many provinces for the establishment of Land Mortgage Banks, and so far as I can see, Government are also encouraging the establishment of such banks. Under these circumstances, I find that since the Madras Land Mortgage Bank has already been established, other provinces will soon follow suit, and when such institutions spring up, there is no reason why these trust monies should not be invested in such securities which are as solvent as those mentioned in section 20. Sir, I support this Resolution.

The Honourable Sir George Schuster (Finance Member): Sir, we have listened to some very eloquent speeches on this matter, and I must say, as I listened to what some of the speakers said, I found it somewhat difficult to understand how I could be so inhuman or so selfish or so callously indifferent to the interests of the country to have taken the attitude which I have done in this matter. Sir, I would ask the House to appreciate that it is not for any reasons of that kind that we are taking the attitude that we have thought it right to take. I would like to put the case as shortly and impartially to the House as I can. But I would like at the outset to make it quite clear with reference to what was said by my Honourable friend, Diwan Bahadur Ramaswami Mudaliar, that we certainly have not been influenced by any selfish considerations as regards the Government of India's interests from a fear that flotation of securities of this kind would interfere with our own operations. That factor does not come into our consideration at all, for the scale of operations contemplated would certainly not embarrass us in any way. We have had to look at this matter from the point of view of people with whom rests the authority and the responsibility for protecting certain interests. We, really, and the framer of the Resolution, or those who supported it, look at the matter from opposite standpoints. Those who support the Resolution desire to have a certain cachet given to a particular form of security for reasons of their own which, I freely admit, are very good reasons. We on the other hand have framed Acts for the protection of trustees, and we have to consider that side of the matter. It would of course be very easy for us to exercise vicarious generosity at the possible expense of trustees and beneficiaries and open the list of trustee securities freely to those who desire to come upon it, but if that is done in an unduly wide way, I think Honourable Members would admit, it would certainly be a failure to fulfil what is our own special responsibility in the matter.

Now, I am not quite clear on what ground really those who support this Resolution are taking their stand. It has not been quite clear whether they really stand for the principle that the debentures of all land mortgage banks of this kind ought to be trustee securities or whether they are merely arguing in this particular case that inasmuch as the Government of Madras is ready to guarantee this particular issue, that at least should remove all doubts as to its soundness and reliability. Of course if the larger, wider ground is taken, that is a matter which would raise very wide and difficult issues and certainly one would have to take the line that any move of that kind would have to be strongly opposed until certain conditions have been fulfilled and land mortgage banks have established themselves on a very sound basis. I do not want to go into details now, but I cannot quite accept the general statement by my Honourable friend, Mr. James, as regards the universality of recognition of land mortgage banks as suitable institutions for treatment of their debentures as trustee securities. It is possible to find examples of land mortgage banks which have done very badly indeed, and although I personally would view with great sympathy any proposal for dealing with the problem of rural indebtedness and working out a scheme for effecting some sort of conversion of the rural indebtedness of India, that, I am sure, Honourable Members will agree is such a vast problem that it could not be tackled in a summary way, nor do I think really that those who support this Resolution would seek to push the issue as far as that. That is a problem which, I think, must be treated separately. I, therefore, propose to deal with this merely as raising the issue as to whether in this particular case with the guarantee of the Government of Madras behind the debentures we ought to give way. Now, I want to make it clear that we cannot really limit the issue to this particular case. If we make this a trustee security, it will make it a trustee security of course not merely locally, but for the whole of India and, further than that, it would involve accepting the principle that securities of this kind carrying a guarantee of any Provincial Government must be accepted as trustee securities. I think it would be impossible to agree to accept as a trustee security a debenture of this kind guaranteed by the Government of Madras and refuse admission to similar debentures guaranteed by other Provincial Governments. Therefore we have to recognise that a fairly wide principle is involved.

Now, while I am speaking on that, I want to correct one misapprehension which, I think, exists in the minds of Honourable Members. The case of the securities of the Bombay Co-operative Bank was quoted as a precedent and it was argued that having accepted the principle in the case of Bombay, we cannot logically refuse it in the case of Madras. But the Bombay Co-operative Bank issue is the only example of securities of that kind which is on the list. It was included in 1917 before any sort of devolution of financial responsibility to Provincial Governments and, since that date, we have added no securities of this kind to the list, though we have been repeatedly asked to do so. The Bombay Society was fortunate in getting in before the constitutional change was made. I admit that the position is to this extent anomalous. That is one of the facts of history and it cannot be quoted as an argument today. Now, the position that we have taken is this. We feel that the cachet of being a trustee security ought to be very sparingly and carefully granted. It means that once a security is made a trustee security, it at once becomes eligible for the investment of trust funds and the whole idea of having trustee securities recognised in that particular way is to protect the

[Sir George Schuster.]

property of beneficiaries who cannot look after themselves and to give trustees a sort of guide so that if they are people not well skilled in finance and not closely in touch with business, they can always choose trustee securities and feel that they are absolutely safe in such an investment. If that purpose is going to be achieved, obviously one must be very careful as to what securities can be admitted as trustee securities. I am quite ready to admit that in the case of the Government of Madras, as it stands at present, if a security carried the absolute guarantee of the Government of Madras, it would fulfil all the conditions which I myself would wish to impose before admitting a security to the list of trustee securities; but we felt, when we considered this matter, that we were being asked to make a change which might open the door very widely to new securities coming on to the list, and we felt that we had been asked to make that change just on the eve of a very big constitutional change as regards India. We did not know and we do not know yet exactly what the position of the Provincial Governments may be, but it may be quite possible that their finances will be entirely in their own hands and that the future Government of India will not be able to exercise any control over the way in which they administer their public finances. In that case, it is questionable whether it is wise, just at this stage, to enlarge the list of trustee securities in this particular way. I know that it is difficult for those who support this particular scheme and feel very strongly the advantages that a change of this kind would bring in this particular case to appreciate the wider issues, but that is really the ground on which we acted and I would ask Honourable Members to consider it very carefully. As far as we, the present Government, are concerned, we are not really vitally interested in this issue. If the House were to take a certain line about it, Government do not feel, as far as they are concerned, any strong desire to fight against it; but, on the whole, after very careful consideration we came to the conclusion that it was not right at this stage to enlarge the list of trustee securities. In that attitude, I may say, we were influenced to some extent by the attitude of the Imperial Bank. The Imperial Bank felt that if these securities were made trustee securities, it would be impossible for them even though they may nominally have a discretion in the matter to refuse to advance money upon them, and their view was that once this principle was admitted it might mean that securities would get on to the list which they would not at all like to be forced to advance money upon. That represents one business aspect of the matter.

Now, I just want to deal with one or two of the points that have been made. I think that in some Honourable Members' minds there is a somewhat exaggerated idea of the handicap that is being imposed upon this particular Society by not having these particular securities classed as trustee securities. It was said, for instance, in the course of argument that insurance companies would be able to take them up if they were trustee securities and that at present they are absolutely unable to do so. Well, as a matter of fact, if one studies the investments of the general body of insurance companies in India, one finds that they are not, at any rate most of them are not, precluded from investing in securities of that kind. I have a list here of something like 20 insurance companies in India that have fairly substantial holdings in ordinary shares of Indian Companies. It is possible of course that certain insurance companies, by their articles of association, are precluded from investing in anything but trustee securities, but I think I am correct in saying that is not a general

provision in the case of insurance companies. In fact a moment's thought would convince one that if insurance companies were forced to invest in nothing but trustee securities, they would be put into a very difficult position. When there are large fluctuations in the rates for money, it does happen that the capital value of fixed interest-bearing securities may depreciate very considerably indeed, and a company which can only invest in that type of investment would be put into a somewhat ill-balanced position. I think, therefore, that the disadvantage of anything not being a trustee security has been somewhat over-stated.

There is another point I would like to make. At present, if the Madras Government want to help this particular Society, it has of course a way open to itself for doing so. The actual direct securities of Local Governments are at present on the list of trustee securities; and if the Local Government wishes to help the Society, there is nothing to prevent its making a direct loan to the Society and issuing its own securities to raise the money. If it is giving a full guarantee, the amount of its own commitments would not thereby be increased. There is another point. If reliance is placed on the guarantee of the Local Government, I think, in this particular case it is fair to say that the guarantee of the Local Government is only a limited one. It has only guaranteed interest for five years. Well, if we were to admit that principle, then that would open the door again to another very dangerous possibility of variation. If we were to be satisfied with the limited guarantee of Provincial Governments, we should not only open the door to the possibility of having to include the guarantees of unsound Provincial Governments, but we should also open the door to the possibility of having to include guarantees which were limited in a very unsound way.

Diwan Bahadur A. Ramaswami Mudaliar: Supposing the Local Government were to extend that guarantee without any limitation of time, would the Honourable Member change his view?

The Honourable Sir George Schuster: That would certainly meet the second point which I have made, but although it would certainly make the case easier, I should still be left with the difficulty that although the Madras guarantee may be a perfectly sound one, the guarantee of some other provinces—I certainly won't mention names—might not be equally sound.

An Honourable Member: Thanks to the Meston Award!

The Honourable Sir George Schuster: That, Sir, is the position that we have to take up in this matter. As I have said, after very careful consideration, we came to the conclusion that the best course, in the interests of India, and the course most consistent with our sense of our own responsibility in the matter, was to take the line that at present and pending the constitutional changes we ought not to widen the list of trustee securities. Our general feeling is that, if anything, that list is rather too wide already.

Now, having explained this position, I do not know whether Honourable Members opposite wish to push this Resolution to a vote. I would myself prefer to discuss the whole matter quietly again with one or two Members,—not merely Members speaking on behalf of Madras, but one

[Sir George Schuster].

or two Members who would represent other interests and who can speak on the financial side from expert experience. I would like to have a discussion on those lines and to see how far the points which I have made are considered to be of over-riding importance. If the Resolution is pushed to a vote, in view of our having taken the line that we have, we of course will have to oppose it, but I would much rather have a chance of talking the matter over again, because we really have only one interest and one purpose in our minds, and that is to do what is really right in the interests of the country as a whole.

Mr. K. P. Thampan: Sir, when I heard the Honourable the Finance Member saying that he was not at all indifferent and callous to this demand from South India and that his sympathies were entirely with the rural population in their indebtedness, I thought he was going to accept my Resolution straightaway, but, Sir, I was very much disappointed as he proceeded with his arguments. What he said on one point is perfectly true, namely, as regards the wider issue, and though this Resolution refers to Madras alone, other Provinces, having such institutions, may desire to come into line with Madras. When he declared that, so far as Madras was concerned, the guarantee given by the Madras Government was good enough, though it was of a limited nature, apart from the fact that, the Madras Government might, if necessary, extend that guarantee, I was wondering, why the debentures of the Madras Central Mortgage Land Banks, on their merits alone, should not be treated as trustee securities. Each case has to be decided on its own merits. If the Government of India will lay down certain definite conditions and all the Provincial Land Mortgage Banks satisfy those conditions, I for one do not see where the difficulty comes in. But that is a different matter and I am not concerned with it.

Then, another point that my Honourable friend made was with regard to the analogy with the debentures of the Bombay Co-operative Bank. He said that they were given the status of trustee securities in 1917 before the reforms came into force. I am aware there has been devolution of financial responsibility to a certain extent since then and that with the advent of the new reforms, when provincial autonomy will be a settled fact, there will be complete devolution afterwards. But I thought from the fragmentary reports, I have had, of the Round Table Conference, that the British Government were putting up a strong fight for all kinds of financial safeguards. Now, if, in connection with the next constitutional reforms, the Government of India can take sufficient care to safeguard their interests not only with regard to the loans advanced to the Provincial Governments, but also to the monies invested by all and sundry English people in this country, I wonder, why a provision should not be made in the future constitution with regard to the existing inter-provincial and such other commitments, if the anxiety of the Honourable the Finance Member is to give special protection to funds invested by trustees of other Provinces.

Sir, it is quite possible. Whenever we want anything useful to be done, you ask us to wait till the new constitution came into being, and it will only come after two or three years. In the meantime, much water will flow down the bridges. That is an answer with which I am not satisfied. Things can't be held up so long. One

pleasing feature of the reply of the Honourable the Finance Member was that he was prepared to receive in conference two or three Members of this House and have an informal discussion to thrash out the whole question. I have no objection to that procedure; on the contrary, I welcome it. A Committee like that will have more facilities to consider the question in all its bearings and I shall be very happy to withdraw the Resolution if the House will give me leave to do so.

The Resolution was, by leave of the Assembly, withdrawn.

RESOLUTION RE INDIAN FILM INDUSTRY.

Mr. Laichand Navalrai (Sind: Non-Muhammadan Rural): Sir, I move my Resolution which stands thus:

"This Assembly recommends to the Governor General in Council to give encouragement to the Indian film industry which is still in its infancy by removing the import duty on raw films as recommended by the Indian Cinematograph Committee, 1927-28."

Sir, this morning I found much enthusiasm and interest in the House when the Resolution about the release of Mahatma Gandhi and other political prisoners was being discussed. I now want to call the attention of the House to the fact that this Resolution which I am moving is also a very important one and that the Honourable Members should feel interested in it. It will be noticed that it seeks encouragement for Indian industries. Though this Resolution is a restricted one, yet it is one which, if accepted, would prove the sympathy and support of Government to Indian industries. This Resolution, I say, is a restricted one, because you find that what is asked for is only that the raw cinema films required for the production of entertainment or educational purpose be made duty free. We know that there are two kinds of films that are imported into India,—one is exposed and the other unexposed. Those films, which are unexposed, are called the raw cinema films and the exposed ones are those which are imported from foreign countries ready for exhibition. I submit that this Resolution does really refer to the encouragement of the Indian industry alone, because when these raw materials arrive here from abroad, they are exposed, distributed and exhibited here in India. Therefore it is very necessary that this industry should be encouraged and these raw films should be exempted from duty.

We know that there were happy days in India when there were so many indigenous home and cottage industries. At the present moment, I am not going to weep over spilt milk, but I must point out that now that there has been an awakening in India to revive those industries on a modern system, it is the duty of Government not only to show lip sympathy, but to give substantial help. It will be noticed, Sir, that those industries in India have actually disappeared. At present I do not think it right to go into the causes which annihilated those industries, but my object now is to go to the very issue which is now before the House, namely, that the raw films should be duty free. Now, Sir, taking this point, I would submit, that these films which they get from foreign countries are so very costly that it is really hard for many people to afford to invest such large amounts on films and other equipments to produce entertainment films. Therefore what this industry asks is a modest demand that the raw material be imported duty free. We know

[Mr. Lalchand Navalrai.]

that at present the duty levied on these films is 25 per cent. on non-British and 15 per cent. on British ones. This the film producers feel as a very heavy burden and want that, if encouragement is really intended to be given to this industry and if Government are sincere that it should develop, the concession asked for should be granted to them. At present it will be noticed that the cost of the raw film is very exorbitant, specially in the case of talkies which comparatively requires considerable quantity of film. These talkies are more useful than silent pictures. Therefore, they should be encouraged and, if there is no support from Government, this industry would only die its own death. I do not think that the public in India or even Government, which at times show sympathy, would like that this industry should get wiped off. On the contrary, we find all round in the world that this industry has developed on a large scale, and its progress has been really enviable. We find that in the whole world there are 61,551 cinema houses, whereas in India we find only 650. Out of this 650 also, the majority are silent and only about 100 are talky Cinemas. Sir, even in the United Kingdom, a considerably smaller place than our country,—there are about 4,500. Therefore, this industry requires to be progressed in India. Cinema industry was introduced in India at a recent date. The first film that was produced in India was in the year 1913 and the talky—the first one of it, in Bombay—in 1931. It cannot, therefore, possibly be denied that this industry is in its infancy. It has been the principle of all Governments to support infant industries.

I do not want to detain the House with a long speech, but I hope to give some facts in support of the usefulness of films. I find that when this question was raised during the last Session in this House, the Member for Government in charge of Commerce did show sympathy, but my object in moving this Resolution is not to seek only lip sympathy from the Treasury Benches, but I do really ask for substantial help. The usefulness of films cannot possibly be questioned. Films are not only used for the purpose of entertainment which is also a necessary adjunct in life, but they also serve for educational purposes. At present, though, of course, on a small scale, we find that these films are doing useful work in schools and colleges, and we also find that these films have now been used for the purpose of even giving an impetus to the welfare of rural life. In a book written by a European gentleman in Madras I noticed that in villages films were being shown in order to educate illiterate persons. Of course the educated people would like to go to these cinemas more for entertainment than for any other interest. But these illiterate persons who are shown these films are being actually educated, not only in their agricultural operations, but even with regard to their health and hygiene. We know in India we are now advancing to revive art. It is a very good augury of the times. When referring to this domain of the art of our country, I feel much pleasure to allude to my Honourable friend, Mr. G. S. Dutt,—who, I find is not just now in his seat—who, I am sure, would feel rejoiced to see his hobby—the folk dances—which he has revived with such success in Bengal—put on the screen. His object is that the practice of folk dance should extend to every nook and corner of India. I submit that if the import of these raw films be increased it will be a very easy task for my friend to have these folk dances exhibited on the screen and popularized throughout India. My object at present is to impress upon the usefulness and the necessity of this industry thriving

in India. We know, it now tends to solve also the unemployment question in our country, because these cinema houses are actually engaging thousands and thousands of persons. I have legitimate grounds to say that Government should be thankful for this industry having been introduced in India, for they also earn in the shape of getting so much import duty and income-tax from producers, distributors, exhibitors and also from the employees, actors and actresses. Therefore, the Government should see their way that these films are produced on a large scale in India.

I went to see two or three films and I was impressed with the Indian ideal that they were able to depict in them especially in these days of advancement. I was very glad to see two pictures exhibited, one was Madhuri—where Madhuri, the heroine of the play, clung to her husband Ambar through thick and thin, through extreme troubles and trials and eventually secured the happiness for both of them. I was also pleased to witness the film of Bhagat Pralhad, which really has the influence to uplift one's soul and stimulate religious inclinations. Now, I think I have been able to impress upon the House that there is nothing wrong in these film houses if proper care and attention is given to them—which they do need at present,—to be of a very good use to the public at large in India. On these grounds of usefulness, I submit, Sir, Government should give exemption of duty on raw cinema films. With regard to the sympathy having been shown to this industry, I refer first to the Indian Fiscal Commission, which met in 1921, and I will read a few words from their report. They said:

“Raw materials required for Indian industry should ordinarily be admitted free of duty,”

That is, Sir, what this Resolution asks for. They further state:

“This is obvious principle of general acceptance in Protectionist Countries.”

Then, Sir, the Cinematograph Committee was also in favour of the object in view, which may be noticed from the few words that I quote with your permission. They are:

“There is, however, one tariff concession which we consider the producing industry can legitimately claim. Raw or virgin film is the raw material of the industry.”

I must now directly say about the sympathetic attitude of the Members on the Treasury Benches. I have heard occasionally the Honourable Member in charge of Industries and Labour giving out sympathetic expression with regard to the development of Indian industry, but, Sir, when this question was threshed out in the November Session, when we heard a very lengthy and masterly speech of the Honourable Mr. Jadhav, the Honourable the Commerce Member said,—it is to be found at page 3241 of the debates of 1932

An Honourable Member: Read the whole debate.

Mr. Lalchand Navalrai: I am not going to read the whole of the debate, though I have got half an hour at my disposal yet. I will take lesser time. My aim is to create some interest in the House on the subject which needs more sympathy and support from the Members. I am very glad that Mr. G. S. Dutt has just come in and I hope he will support me on this Resolution. I know he would really get a thrill of

[Mr. Lalchand Navalrai,]

joy if he sees the folk dances—of the revival of which he is the father—exhibited in cinema films and thus spread all over India

Mr. G. S. Dutt (Bengal: Nominated Official): Will you join in it?

Mr. Lalchand Navalrai: Why not. I am ready to join you in any thing that is good. Now, what the Honourable the Commerce Member said was this:

"I may say that a few days ago I was waited upon by a deputation representing the film industry in this country and I can give this assurance to the House that the representation which I had from them on that occasion will receive our most careful, and I add, sympathetic consideration. I confess to a considerable amount of sympathy with a good deal that has fallen from the Honourable Members who have spoken on this subject and I hope that they will accept the assurance that I have just given, though it is not possible for me to accept this amendment."

This is why I have moved this Resolution to get practical help from Government. As to the income that the Government derive from the raw film imports it would be found, from the figures given by Mr. Jadhav, that the raw material of the value of about Rs. 11,07,665 is imported into India yearly. That would give an import duty of about Rs. 2½ lakhs to the Government. It is not much for the Government to sacrifice. The question may arise if Government can get this amount in some other way. Of course it is for the Honourable Member to find out how to do this, if they really cannot do without this amount. I am sure there are some other ways of compensating Government for the remission; but I do not think it is such a large amount that the Government cannot forego. In this connection, it will not be out of place to suggest that exposed material, which is being at present charged on arrival at 4½ annas a foot, might be charged at 5½ annas; and thus the Government will be fully compensated. In conclusion, I submit that a case has been made out that this industry should be helped and should have not only the sympathy, but material and substantial support. I hope that this House will be pleased to accept this Resolution. Sir, I move.

Mr. Chairman (Sir Hari Singh Gour): Motion moved:

"This Assembly recommends to the Governor General in Council to give encouragement to the Indian film industry which is still in its infancy by removing the import duty on raw films as recommended by the Indian Cinematograph Committee, 1927-28."

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): Sir, I heartily support the Resolution so ably moved by my friend from Sind. The cinema industry is an infant industry and although it was started first in 1913, its development has been very slow. First on account of the war which prevented raw materials and machinery coming in here in sufficient quantities for the industry, and then owing to the difficulty about capital and other things. Now, by the introduction of the talkies, the whole system and machinery has undergone a change and the industry has almost to be started anew. So the beginning of the talkies might be taken to be in 1931, and it is only of two years' standing in India and, therefore, it is really an infant industry, an infant industry which is not an unimportant one. It is already giving wages

and supporting a population of about 13,000 workers, and, in that respect, it gives promise of great expansion. So, from the point of view of numbers also, it is an important industry. But Government as usual will not look at it and will not encourage it. In the book "Large Industrial Establishments in India", the statistics of all the industries are given and the smallest industry there, which is the paper industry, employs only 5,000 people; still Government take notice of that industry and are striving their best to encourage it. I am very thankful to the Government for taking interest in the paper industry and other industries. But, at the same time, I must point out that the cinema industry is giving maintenance to 13,000 people and, therefore, it is a much larger and more important industry and it deserves some corner in the heart of Government so that they may be induced to extend their help to it.

Now, what is the help that is asked? It is asked that the raw material of the industry should be allowed duty free. This principle is almost axiomatic as the report of the Cinematograph Committee says, and I need not quote again and again the dictum laid down by the Fiscal Commission. So the condition is clear that the industry is an infant industry; it is at the same time an important industry; it is, I shall say, a nation-building industry, because it spreads education and general culture among the masses. England also is doing her best to encourage this cinema industry and the method adopted by England is to prescribe a quota for home production. In every cinema house, a certain proportion of English made films must be exhibited; and, in that way, encouragement to the home industry is given. It is a very drastic measure no doubt, and there are two sides to that question. The film industry in India is not going to ask for that form of encouragement. We are not going to ask the Government to give us a quota of Indian made films; we are asking for a very small thing which we claim is legitimately due to us. Even in Russia, all attention is paid to the educational side of the film industry, and I have recently read that the Soviet Government are taking care to see that, in the training colleges for teachers, every teacher is taught how to operate a cinematograph machine, so that they may have cinema shows in every village where there is scope for it, and, in that way, they are making education by means of cinematograph available to all. India is a country, full of illiterate people, and if culture and education are to spread among the people, it cannot be done in these days of financial crisis by opening schools and providing school masters. I do not know when India will be in a position to introduce compulsory education in all the villages, but if Government take it into their head to give sufficient encouragement to the cinema industry, I am confident, Sir, that the general level of education among the masses will be considerably raised. I, therefore, Sir, very heartily support the Resolution so ably moved by my friend.

Mr. Goswami M. R. Puri (Central Provinces: Landholders): Sir, I rise to support the Resolution regarding the removal of import duty on raw cinema films moved by Mr. Navalrai, because I consider that film is a very powerful instrument in educating the masses the necessity of which is becoming increasingly evident, especially in a country like ours and that is why I would like to urge the Government to give adequate relief to this industry by the measure contained in the Resolution.

In stressing the educative value of cinemas, I cannot do better than quote an interesting observation made in the course of an address recently

[1ST MARCH 1933.]

[Mr. Goswami M. R. Puri.]

delivered at the annual meeting of the Science Masters' Association in Bristol. It runs:

"There were many advantages to be gained by the use of films in teaching. Ideas could be more readily conveyed by films than was possible on a blackboard."

We see the truth of these remarks inasmuch as the use of films in education has been taken full advantage of in all the more advanced countries of the East and West. From a perusal of literature on films as well as information gleaned from other sources, it appears, Russia has advanced more than any other country in respect of films in education, because it is considered that:

"The film is an educational instrument which should be used mainly to carry enlightenment to the illiterate and uncultured populace. They have no use for films which emphasises the value of the individual to the exclusion of its meaning for the mass."

It is now an admitted fact that Russia, with the help of films as well as radio, has succeeded in removing illiteracy in their country during the past few years to a remarkable degree. Considering the potentialities of the film industry from the educational point of view, I submit, that the Government should encourage this infant indigenous industry and nourish it to its full growth as in other countries.

In the memorandum submitted to the Department of Commerce of the Government of India, dated the 17th November, 1932, the Motion Pictures Society of India, a representative body of the film industry in this country, has stated the grievances of this industry and pointed out how it has been greatly handicapped for lack of finance, and increased cost of production of films on a limited market for exploitation of films due to the advent of talkies. If we consider the prices of both negative and positive prevailing in 1930 and 1932, we find that there is an increase of 35 per cent. in the price of this material which absorbs one-third of the capital varying from 50 to 70 thousand rupees. Due to the Ottawa Agreement there was reduction of price; however, the same is still 25 per cent. higher than that existing in 1930. I, therefore, submit, Sir, that the Government of India should permit the import of raw cinema films free of duty as recommended by the Fiscal Commission, 1921-22, and the Indian Cinematograph Committee, 1927-28, both appointed by the Government. By this measure the Government may lose a revenue of approximately 2½ lakhs when we take into account the figures of 1931. But this loss can easily be compensated if the rebate system in respect of exposed films into the country is altered. The Government of India get about five to six lakhs of revenue by way of import duty on exposed films which are valued at 4½ annas per foot and a duty of 37½ per cent. is charged on this valuation. But if the exposed film is returned to the country of origin within two years, the Government have to refund 87½ per cent. duty leaving a very small amount of net revenue to the Government. Considering the life of the film to be very short, depending on the handling of the film as well as the machinery through which it is run, the exposed films, which are re-exported, will be nothing but scraps of celluloid. I am told the distributor of foreign exposed films makes an average profit of 50 to 100 thousand rupees per film, and is it not very ridiculous that he should be paid back 87½ per cent. duty when he re-exports the film as scraps of celluloid after its thorough exploitation?

I, therefore, suggest, that this period of two years for allowing refund on exposed films re-exported should be reduced from two years to two months which is more than sufficient. By this procedure I am of opinion that the Government will be able to retain the whole of the import duty on exposed films and consequently make up the loss that may be incurred due to exemption of duty on raw cinema films.

I would suggest another method to the Government for making good the loss by adopting the Resolution which I have the privilege to support. I may state here for the information of the House that a distributor or importer of foreign exposed films generally import three copies of a film, each print of an average length of 8,000 feet, on which he pays a duty amounting to about Rs. 2,335, on the basis of valuation and import duty as I stated a few minutes before. Why should not the Government increase the rate of valuation from 4½ to 5½ annas or more especially when the distributor or importer of foreign exposed films makes a large amount of profit and pays a paltry amount by way of import duties.

Before, I conclude my speech, I would like, Sir, to say a few words how other Governments have been giving protection to film industries in their respective countries. In some countries the Government are subsidising this industry, while in others they have enacted "Quota" and other laws by insuring the market for the native product and giving help in all possible ways. In some countries the Government have actually invested capital in this industry as many countries do in respect of key industries like steel, petroleum, etc. I should not fail to draw the attention of the House how England herself has been trying of late to help her native industry. She passed the Cinematograph Films Act in 1927 specifying a per cent. of playing time each exhibitor must devote to British made pictures and binding both distributors and exhibitors to fulfil certain requirements for a period ending in 1940 for the encouragement of the native film industry in the United Kingdom. And the effect of this law has given an impetus to the British film industry, of which I may be pardoned, to quote here a few figures. As every body knows, the American films have been dominating in the world markets for more than one reason and the United Kingdom is not an exception to it. In the light of this information, the gradual increase in the production of the indigenous films will be interesting:

Year.	Percentage.
1928	13.6
1929	11.5
1930	14.7
1931	16.7
1932	22.0

In other words, in 1932, English film producers produced 50 per cent. more films than the English "Quota" law required.

Sir, I need not cite any more instances and tire the House to get support to the Resolution. I have represented to this House the case of the film industry and, I fully hope, it deserves all the support of the Government and of the Honourable Members irrespective of Parties.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I will always lend my support to any industry in India which can be built up and which requires the help of the Government. The film industry in India is in its infancy and requires consideration from the hands of the Government. It is an undoubted fact that cinema can be used as a medium of education to the people who cannot get that education otherwise and cinemas will, in future, as at present to a certain extent, play a great part in building up the ideas of the nation. Therefore that requires great consideration in making this industry useful. I am myself one of the cinema goers, though I do not go now-a-days so often as I used to do. Speaking for my constituency, I must inform the House what the views of certain influential members of my constituency are. They think it is one of the greatest evils of the day in India. They say that India is too poor to afford this luxury in the small towns. The average wages of a poor man in India is something between Rs. 10 and Rs. 15 per month. In the small town, when he has a wife and two children to support, it comes to only Rs. 5 for himself. The cinemas have become so attractive in the small towns that the poor man is tempted to go to a cinema at least once a week and pay four annas which is the cheapest rate for a seat. He lives from hand to mouth and cannot afford to spend one rupee on a cinema which can be used for feeding his family. What is happening in the small towns is that they are getting more and more fond of these cinemas and the poor man sometimes takes his children also. In England, it may be said that even the poorest man goes to the cinema. There he earns something like 3s. a day and the cinemas charge 3d. for the cheapest seats. If he spends 3d. a week, he can well afford to do so. He does not lose so much as the man in India. Cinemas are not costly in England as they are in India. Then, a man in England does hard work. He is busy and does not talk to other people. He does not get much leisure for enjoyments. In his case there may be some justification for some kind of amusement. In India, people have lot of amusements. They can enjoy themselves in many ways. They have got free clubs and panchayats. They can have their amusements cheaply. To them the cinema is a luxury. If cinemas had become a medium of education, then certainly they will be useful, but I want to know whether present day Indian talkies are of any educative value. That is the question we have got to consider before we can exercise our vote.

Now, Honourable Members of this House were invited to a show. I would like to know whether any of them would say that the pictures they saw are of any educative value to the poorer classes in any way. Now, it is generally that class of Indians who go to the Indian talkies who cannot understand English properly. There are two points which are attracting attention to the Indian talkies. One is that people go to hear the music. I find, sometimes good musicians are engaged who cannot be heard ordinarily in every place. As far as this music is concerned, they have advanced a great deal as compared with the position two or three years ago. A great deal of improvement has been made. But that is not the point from which we have to examine this question. We have got to see whether they have become educative or not. If we take up that position, we can only say that they are not of much educative value. That is what my constituency feels at present. It may be a great enjoyment to me, but my constituency does not want that kind of enjoyment.

They feel that these cinemas, instead of educating the people, form a kind of temptation to them to spend money which they can ill afford to spend and they do not want these cinemas. They say that even if cinemas are there, there should be limited times for the shows. They do not want to prevent cinema shows; they merely say, let them have shows, say, for about a day or two in the week or on certain days only. Formerly, Sir, we had moving theatres. They used to go about during certain fairs and people could afford to go and enjoy themselves there for a limited number of days. That was not such a great evil—once or twice a year—and that did not tell much on the poorer classes. Now, these cinema shows several times each day are not attracting the people who wish to go there for the sake of education; they are attracting them for the sake of pleasure and frivolity and for them these shows prove to be too costly and extravagant sources of pleasure, and not always the right kind of pleasure at all, sometimes very mischievous and debasing to the mind and morals. Surely these *tonga* drivers, the motor bus drivers, coolies and such like people, who squander away their savings in this way, do not patronise these places in order to reap some supposed educational benefit or instruction; they go there to find out something naughty which can amuse them; they want to find something which will stimulate their imagination and capture their minds.

Mr. S. O. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Are you then for prohibiting the importation of all cinemas?

Mr. Muhammad Yamin Khan: If the cinema industry can show that they can confine themselves to catering to the present-day needs of Indian poorer classes, that is, to educate them, and that they are thus helping to diffuse a sort of education which the latter are not otherwise able to acquire, then we can give them our whole-hearted support.

Mr. Chairman (Sir Hari Singh Gour): Order, order. It is not a cinema censorship Bill that we are dealing with now. We are dealing with a different point.

Mr. Muhammad Yamin Khan: Sir, I bow to your ruling. The point is whether the cinema film industry should be so much encouraged as to lead us to remove the whole import duty on it and, therefore, I hope you will allow me the indulgence of pointing out clearly that unless a case has been made out for the proposition that the whole of the duty should be removed having regard to the films that they are producing, we should hesitate to accept the proposal. They will have to justify themselves fully, and, if they can do so, then of course they will find whole-hearted support in this House, and, in a more popular House, when a Bill in connection with it arrives at the appropriate stage. At this moment it will be very difficult to vote on a Resolution of this kind that the total import duty should be removed from the films.

Mr. Lalchand Navalrai: How much do you advocate?

Mr. Muhammad Yamin Khan: I have never taken a brief from them and I do not stand to argue the case for the cinema industry. I am only concerned with the Resolution of my friend as it is there, which

[Mr. Muhammad Yamin Khan.]

simply says that it should be removed; I do not make any suggestion; I only say that the industry does require certain help from the Government, and because it is a Resolution and it is not a Bill, it is not binding on the Government, even if it is passed. Government will give the matter its consideration. Having said, Sir, that they do deserve some kind of consideration, I would leave it to the Government to decide what kind of help they can afford to give to the industry. With these words, Sir, having made my position as a representative of my constituency and otherwise quite clear, I resume my seat.

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran: Non-Muhamadan): Sir, I just want to add a few words in support of the Resolution which is before the House. As Honourable Members are aware, the cinema film industry is in its infancy in this country, and deserves all reasonable encouragement and support both from the Members of this House and from the Government. In other countries, the cinema industry has advanced to a great extent and Governments in some countries have a regular cinema bureau, and spend a lot of money for promoting and safeguarding the legitimate interests of this industry. I shall just read out to you, Sir, a note which was submitted by the Director of the Canadian Government Motion Picture Bureau regarding the work of the bureau there. I will read out one short paragraph which will indicate how the Canadian Government has been supporting this cinema industry:

"The Canadian Government Motion Picture Bureau, as a branch of the Department of Trade and Commerce, was first organized in January, 1917, for the purpose of augmenting other means for the world-wide dissemination of national publicity, the advertisement of the Dominion's resources, attractions and opportunities, and the encouragement of tourist and other trade and settlement through the medium of motion pictures and other pictorial matter, the importance of which, as an agency for this work, was then becoming internationally recognized. The Bureau was also established to provide a central plant in which all Federal Government motion and still photographic material could be produced at a considerable saving and the annual expenditure of the Government on this work is at present in the neighbourhood of 80,000 dollars. This amount includes the salaries of 20 experienced executives and tacticians employed in the bureau"

and so on. Sir, the Indian Cinematograph Committee which was appointed in 1927 also recommended that encouragement should be given to this infant industry, by removing or at least lowering down the import duty on films. Sir John Marshall, the then Director General of Archaeology, who was examined on that occasion, also refers to the ways in which some valuable work could be done in the way of reproducing some of the ancient arts, customs and other things of the historic times. Sir John Marshall said:

"When I was examined by the Cinematograph Committee, I was asked by the President to consider whether it would be possible for my Department to prepare a series of memoirs on the ancient costumes, arms and antiquities of India, which could be used for the production of historical films. I have now had time to examine the proposal and beg to offer the following remarks. Among the subjects with which each memoir could deal in separate sections would be architecture, the major and minor arts, furniture, conveyances, arms, implements, domestic utensils, costumes and ornaments, and musical instruments, religious iconography and cult, types, customs, manners, dancing and posturing, civil and religious ceremonial observances,"

and so on.

Sir, as broadcasting is an infant industry for which the Government have been giving its support, I plead for this infant industry also. I confess I had a very unfavourable idea of cinema shows before. Just to be shut up in a dark room in the evening along with all sorts and classes of people and sexes is not a very happy idea for me (Laughter); but I confess that when I was invited to that cinema show the other afternoon, I was rather favourably struck with the exhibition which was got up on that occasion, and have come to have a very appreciative idea of the possibilities of this industry. Sir, my Honourable friend, Mr. Yamin Khan, whose mind always moves in the official groove, true to his tradition as a habitual supporter of the Government, although he did confess that he was a habitual cinema-goer, ended his somewhat superficial observations by opposing this very reasonable proposal.

An Honourable Member: He did not oppose.

Mr. Muhammad Yamin Khan: My Honourable friend's brain was probably working in the direction of how to oppose the Government and so he did not listen to my speech carefully.

Mr. Gaya Prasad Singh: I am glad, Sir, that this misunderstanding on my part has resulted in an avowal from my friend, Mr. Yamin Khan, that he was not opposing the Resolution. I take it, therefore, that he was supporting the Resolution. Sir, my Honourable friend was criticizing some of the shows which he has seen with *tonga* drivers and such classes of people

Mr. Muhammad Yamin Khan: I have seen many more shows than my Honourable friend has done.

Mr. Gaya Prasad Singh: I have already confessed that I have been averse to these cinema shows; so there is no point in my friend saying that he had seen many shows. His criticism was directed more against the kind of show that was produced on those particular occasions, but there are other shows and exhibitions drawn from historical and other sources which go to give encouragement to national ideal, and have a highly educative value. This industry has very much advanced in other countries, and it is necessary that we should take a leaf from out of their books. We should give whatever reasonable support and encouragement this industry is entitled to. With these remarks, I beg to support this Resolution.

Mr. A. Hoon (Allahabad and Jhansi Divisions: Non-Muhamadan Rural): Sir, I shall not take much time of the House in connection with this Resolution. I rise to support it. It is a happy sign that every Honourable Member of the House is agreed on the point that the cinemas have got an educative value of their own. The only note of discord that has so far been sounded from the non-official benches is from Mr. Yamin Khan. He has given his own point of view, and I give him credit for that: He has placed certain facts before the House on the strength of which he gave it as his opinion that the cinema industry is not entitled to that much of encouragement which they are claiming at this moment. Mr. Yamin Khan too agreed that cinemas have got an educative value and he has told us that he used to be a frequent visitor of the cinemas; I do not know why he has stopped going there now.

Mr. Muhammad Yamin Khan: I did not say that: I said that I do not go now as frequently as I used to do before.

Mr. A. Hoon: I stand corrected. If, Sir, the effect of the cinemas is educative, as he admits, I think it would have been in the interests of all concerned if he would keep on these frequent visits to the cinemas. Another point that Mr. Yamin Khan made was that it costs the poor people in the villages four annas to visit cinemas. I think, Sir, that is a point in support of the claim which has been put forward from this side of the House. If at present it costs a poor villager four annas to go to a cinema show, surely if the duty is taken off in connection with these films which are going to be produced by Indian labour, Mr. Yamin Khan's tenants in the district of Meerut will be able to have fine evenings by spending one anna only. (Mr. Muhammad Yamin Khan: "Hoorah!") I very much appreciate that Mr. Yamin Khan has responded to the feelings that I am giving expression to and it is really in the interest of his tenants that he is saying "Hoorah". After that, Mr. Yamin Khan tried to make out a point which I did not quite understand. What was his grouse with regard to the poor *tongawalas* and other people going to the cinemas? Why should they not go to the cinemas? Are they not in need of any amusement? I personally am of the opinion that amongst other portfolios there should be a portfolio for amusements, to develop schemes for the amusements of the poor.

Another thing that Mr. Yamin Khan said was that once these villagers take to cinemas, they visit them very frequently. I would ask him to judge them from his own case. He does not visit cinemas now so frequently as he used to do before, and, I am sure, it is not due to the difficult straits through which the legal profession is passing. The only reason is this that probably the glamour of the cinema, so far as Mr. Yamin Khan is concerned, has vanished and he thinks he can go and amuse himself somewhere else. (Laughter.)

Then, Sir, Mr. Yamin Khan has laid great stress upon the fact that if there is really any moral value in a play, he would have no objection to people going there. Sir, it is the *mind* which draws the moral from a story; I asked Mr. Yamin Khan during the course of his speech to let us have a hint as to the subject of the plot of the play in question which he did not think was educative or which he thought was not fit for him to draw a moral lesson from; but he did not answer to that. I am given to understand that in this show that he was referring to they showed "Ben Hur" and some other Hindi picture too. I believe there is plenty of moral to be drawn from these plays if one is capable of drawing one.

Sir, since we all admit that cinemas have got an educative value, there is no reason why the Government should not give a helping hand to the industry, specially when it is in its infancy. With these few remarks, I support the Resolution.

Mr. S. G. Jog (Berar Representative): Sir, when this matter came up for discussion under the Ottawa Agreement, full statistics and information on this subject was placed before this House and the matter was thoroughly debated. I for one have no mind on this occasion to enter into any of those details. I have absolutely no idea about the technique of this film industry, but, as an occasional goer to these shows and also as a tax-payer. I have got a certain interest in this industry. The last time when this

matter was under discussion, the reply was given by Sir Joseph Bhore as Commerce Member and I will read it out. It was expected that after his sympathetic reply something would be done in the Finance Bill by way of giving relief to this industry, but, to our great disappointment, nothing has been done. The reply which the Honourable Sir Joseph Bhore gave was this:

"I hope my Honourable friend, Mr. Jadhav, will forgive me if I do not follow him through all the intricate details of his most exhaustive and encyclopædic treatment of the question of the film industry in this country. I may, say, Sir, that a few days ago, I was waited upon by a deputation representing the film industry in this country and I can give this assurance to the House that the representations which I had from them on that occasion will receive our most careful, and, I hope, sympathetic consideration."

After this reply, we expected something to be done, but, to our great disappointment, as I said, nothing has been done, and this Resolution we are compelled to press before this House.

Sir, I congratulate Mr. Yamin Khan on the way he has argued. He can really make a subject interesting by taking an adverse view and by his eloquence he is able to create a sort of illusion and upset the minds of the people. But there is no doubt that there is some truth in what he said. There is no good without an evil and there is no evil without some good. What we have to see is whether the cinema as a whole or the cinema industry has created more good or more evil. It is no doubt true, as he said, that it has created a sort of fascination or tendency among small boys to indulge too much in it and it has also caused a certain drain on the purses of poor people. But such things in the initial stages are bound to happen. After some time when tax is put in and censorship is imposed, plenty of good comes out of these things. It has been admitted in all foreign countries that this industry is really for an educative purpose. Had it not been so, it would not have received so much encouragement on the Continent and in other countries, so much so that it has also received recognition from the League of Nations. For the information of the House, as regards the utility of the cinema industry, I should like to read a small portion from the Cinematograph Committee's report, which was a very learned inquiry:

"In its aspect as an instrument of education, the cinema has been the subject of various national and international conferences, and has engaged the attention of the League of Nations. It can be used educationally, in the limited sense of the word, as a mode of supplemental instruction in schools and colleges, and for illustrating certain technical and scientific processes. It has, however, a special value as a medium of education in the wider sense; for the purpose of propagating ideas or information among the masses on such subjects as public health, hygiene, improved agricultural methods, civics and a variety of other matters. And, in this connection, it has a special interest for India with her vast illiterate population."

I have read the extract from the report of the Cinematograph Committee. In spite of the fact, as explained by Mr. Yamin Khan, there may be evil in it, in addition to the good which is in this industry, and, from that point of view, we have to look at that question. Let us see what is the state of the industry in India, whether it is based on sufficient foundation, whether it has received help at the hands of the Government or whether it needs any encouragement or not. Coming to this point, the industry has got more potential good than evil, and I think it is the duty of the Government to encourage it and give it the necessary protection. I have no mind at this stage to say in what particular way the industry can be encouraged. In view of the fact that the Commerce Member has expressed sympathetic consideration, I think it is for the Department to

[Mr. S. G. Jog.]

find out as to how that sympathy can be extended to practical results. It is not for us to offer suggestions, but some of my colleagues have offered suggestions that the Government may lose a small amount of revenue to the extent of two lakhs. That fact should not weigh with the Government at all. If the industry needs protection, if the industry needs an encouragement, a sacrifice of two lakhs is nothing. However, some of my friends have pointed out how to recoup those two lakhs and have suggested ways and means for that. If Government would take recourse to those means, I think they will be in a position to both encourage the industry and recoup the loss. In India, now-a-days each cinematograph company requires big capital, and it is generally very difficult for these companies to find that capital. Over and above that handicap, this duty on raw films is another obstacle in the way of this growing industry. Government have said many times that it is their duty to encourage Indian industries in India. You will find that about two or three crores of rupees have been invested by these people and, if further encouragement is not given by Government, there is every probability of this industry being closed down, and, in these circumstances, I submit, that the Motion Picture Society have really made out a good case for securing protection and encouragement at the hands of the Government. I desire that they will again reconsider the matter and give this industry the encouragement which we are asking for. With these words, I whole-heartedly support the Resolution.

The Honourable Sir Frank Noyce (Member for Industries and Labour): Sir, the House may wonder why I am in charge of this Resolution this afternoon, since, as we have so frequently been reminded in the course of this discussion, it was my Honourable colleague the Commerce Member who spoke on this subject when it was last before the House. The only reason, as far as I can see, is that the word "industry" happens to occur in the Resolution. I should like to remind the House at the outset that although my Department is called the Industries and Labour Department, it is very little that we can do to promote the development of industries, since that is a provincial transferred subject. All we can do here is to examine with care and sympathy proposals of the character which are now under discussion in this House.

Now, Sir, in regard to this Resolution, the Government's position can be stated very briefly. In spite of Mr. Yamin Khan's gloomy outlook, or perhaps I should say the gloomy outlook of his constituency, we have to recognise that the cinema has come to stay. I personally rather share what I imagine is Mr. Yamin Khan's dislike for the craze of speed in this modern world. I think we were all much happier when motors, wireless, telephones, cinemas and the rest were not in existence, but here they are and here they will remain. Nothing we can do can stop this onward march of progress. The Government fully realise the immense influence the cinema wields in the modern world and the increasing influence it is going to wield in a country like India where the percentage of literacy is so low. They are as anxious as, I am sure, are all Members of this House, that the Indian film should play a worthy part in this sphere and if one may judge from the pleasant hour that many of us spent seeing extracts from selected Indian films a week or two ago, there is every reason to believe that it will.

Now, Sir, that being the Government's position, the logical outcome of it has been that, ever since the report of the Cinematograph Committee, the film industry has been scheduled as one entitled to early relief in regard to the import duty on its raw material. The position is that we have had it down for a long time past for consideration in that respect as soon as financial considerations permit. The question I have to ask this House is "Do financial considerations permit?" It is fortunate for me that I am speaking after the House has had the financial picture from my Honourable colleague, the Finance Member. He told us yesterday with what painful efforts the position of budgetary equilibrium has been established. Our point of view on these benches is that we cannot have the foundations of the edifice which has been built with such toil and difficulty weakened, we cannot have those foundations sapped. I know that the view held by my friends opposite is that this is a very small matter. There is only 2½ lakhs revenue involved and that the Government can easily afford. Well, Sir, that may be the view of the cinema industry, but once we admit a claim, however small for relief at a juncture like this, it is difficult to say where we are going to stop. The Commerce Department sent me this morning a comparatively long list of other industries which are in exactly the same position and which are clamouring for relief from import duties on their raw materials. Therefore I fear I cannot give the House the assurance that it would like to have on this subject. I fully realise that it is cold comfort to tell the House that relief will be given as soon as financial conditions permit; but I can offer a crumb of consolation which I hope will not be entirely unacceptable. Two or three suggestions have been put before us as to how we could make up the revenue that we should lose if we were to remit entirely the import duty on raw films. One was put forward by my Honourable friend, Mr. Lalchand Navalrai, who said that we could do it easily if we raised the tariff valuation on exposed films from 4½ annas to 5½ annas. I must state at once very emphatically that that course would not commend itself to Government: they are not prepared to permit juggling with tariff valuations in order to give protection. There is, however, a much more hopeful method which was mentioned by some other succeeding speakers; and that is the question of the drawback of the duty on exposed films. It is certainly somewhat anomalous that an exposed film, which has been in use in this country for a considerable period and out of which its owners have presumably got good value, should on re-export within two years be allowed a rebate of 7/8ths of the duty. The case of exposed films is, however, not peculiar. The same position arises in regard to other articles. Government have under consideration the whole question of drawback. . . .

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhamadan Urban): What other articles is the Honourable Member referring to?

The Honourable Sir Frank Noyce: Motor cars for one, I think.

Diwan Bahadur A. Ramaswami Mudaliar: If motor cars have been used for two years in this country and are then re-exported, do you pay back a percentage of 87½?

The Honourable Sir Frank Noyce: Seven-eighths of the duty on most things I think: I am not an expert on customs matters, but I believe there is a rebate of 7/8ths of customs duties on most things, if not everything, re-exported within two years. I know that it is the case as regards motor cars because I got it on one occasion myself; and I can speak there from experience. Now what we are prepared to consider is whether the period during which rebate can be claimed should be withdrawn or very considerably shortened. But we should have to watch very carefully the effect on the general position, how it would affect the import of exposed films and what we should stand to lose by doing so. As I have said, this question of drawback is engaging the attention of Government. It is probable that any proposals in this connection would necessitate an amendment of the Sea Customs Act; but, if as I hope we find the proposal practicable, we propose to place legislation before this House at an early date. I should say, in passing, that I am very doubtful whether this would prove as great a gold mine as some of my Honourable friends, more especially Mr. Jadhav, appear to think. Mr. Jadhav worked out to his own satisfaction in the speech that he made last Session that owing to the rebate that is given to exposed films on re-export they pay a duty of only 2½ pies a foot as against 4 pies a foot that the unexposed films pay. That might be the case if every foot of exposed film were re-exported, but our figures show that the percentage which is actually re-exported is not so very large after all. The figures I have here show that in 1931-32 the drawback given was just over a lakh, and in 1932-33, from April to December, that is, for nine months it was about Rs. 1,10,000 . . .

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): What was the duty during that period?

The Honourable Sir Frank Noyce: I am afraid it is not possible for me to give the exact duty realised. I have only got figures for the value. . .

Sir Cowasji Jehangir: What was the value? How do you make out that some of these are not re-exported?

The Honourable Sir Frank Noyce: I should say that most of them are not re-exported.

Sir Cowasji Jehangir: They are mostly re-exported in order to get rebate, whether in good condition or bad condition.

The Honourable Sir Frank Noyce: I have not the figures for exposed films that come into this country. I may explain for the Honourable Member's information that I went into this point with the senior member of the Central Board of Revenue this morning and I asked him why it was that seeing that there was a rebate of 7/8ths of the duty on re-exported film everybody did not re-export them, and his reply was that a great many of them were worn out and that, in order to get the rebate, the value of the article at the time it is re-exported must be more than the rebate which is given, and they did not satisfy that criterion. In any case, my point is that we have not a gold mine even if we withdraw the privilege of getting a rebate on re-export, and that, so far as my figures show they

do not equal what we should lose by remitting the duties on raw films. However we are prepared to do what we can at an early date. We are, in short, prepared to treat the film industry as a whole, much in the same way as we have the broadcasting industry, where, as the House will remember, we take the customs duty into consideration in deciding whether the service is paying for itself or not. In passing, I may mention that, in my speech the other day I described the broadcasting industry as in its infancy but not a lusty infant. The cinematograph industry, at any rate, differs in this respect, because it certainly speaks with the voice of a loud-speaker. That, Sir, I think, concludes all I have to say. I trust that my Honourable friend, the Mover of the Resolution, will regard it as sufficiently sympathetic, that he will realise that we are not entirely guilty of the charge of lip profession only, and that we do intend to do what we can as soon as we can. In the present financial conditions, we cannot accept the Resolution as it stands, but we are willing to try the expedient which has been suggested of making one side of the industry pay something for the other. I trust, Sir, that in these circumstances, he will not press his Resolution.

Sir Cowasji Jehangir: Mr. Chairman, I rise to support this Resolution. My Honourable friend, although he has expressed his sympathy, has given us no hopes of any relief at an early date. We all know

The Honourable Sir Frank Noyce: I think the relief should come within a few months. As soon as we can get together some statistics to show what the effect of reducing or abolishing the rebate on re-exports is, we should take action.

Sir Cowasji Jehangir: I did not quite understand that. Nobody would object to waiting for a few months in these matters. A few months is a very short time indeed, and if Government will investigate the matter and take action within a few months, I am sure, that will be a very satisfactory answer; but if my friend means to say that these are hard times and that any encouragement to an industry of this sort would mean a little sacrifice of revenue and, therefore, Government cannot entertain the proposal until the Honourable the Finance Member can show a surplus of a few crores, I personally think it is not an attitude that Government should take. After all, by encouraging your industries you will increase your revenue, and if every Government in the world,—and every Government is hard up just now,—were to take the same attitude that because there is a little sacrifice of revenue or a small expenditure to encourage any particular industry, they must stay their hands till better times turn up,—then, Mr. Chairman, all encouragement to industries will have to wait for some years to come. I suggest to the Honourable Member in charge of this Department that on further investigation he might find that immediate action is possible. By no means are we anxious to deprive the Finance Member of even a single rupee of revenue. But, at the same time, this House is most anxious that Government should encourage all industries, and this special industry it can encourage at such small cost. Here is an industry which every other country in the world encourages. Here is an industry which England has gone out of her way to encourage. Surely 2½ or 2¼ lakhs is not a very big amount. Our people, unlike people in other countries, cannot take advantage of the manufactured article on account of the foreign language in which the

[Sir Cowasji Jehangir.]

foreign films are made. If these films are to have an educative value, they have to be in the vernacular, and, therefore, it is essential that they should be made in this country.

I will put another point of view. In Europe, these films are being used very widely for advertising. What can be a better medium of advertisement for the promotion of Swadeshi industries and even European articles? In the villages, illiteracy is still the order of the day. I remember having had talks with certain gentlemen in England interested in certain articles that they desired to push in this country, and their line of advance was through the cinema, and they were actually proposing to send down an operator with a whole apparatus on wheels to go right through the villages. How are they to do that if they could not make a film in this country in the vernacular at reasonable cost? I suggest to my friends opposite that the cinema is going to be of the greatest assistance to Swadeshi industries as they can be advertised throughout the country by means of the cinematograph films. Therefore, I would welcome any steps that Government might take to decrease the cost in order to help the other industries to avail themselves of this medium of advertisement. I do suggest, Mr. Chairman, that we should get an assurance. I quite accept the assurance already given that Government will take immediate steps to see that this duty is removed. I understand that the manufactured article is taxed fairly lightly. You value a foot of manufactured article at $4\frac{1}{2}$ annas and you charge a duty of 37 per cent. on it and then you give a rebate. But, suppose, there was no rebate, I do venture to suggest that $4\frac{1}{2}$ annas is a low valuation, and if you can increase that valuation,—I do not say do it unjustifiably but investigate it,—and if you find there is some justification for increasing the valuation of $4\frac{1}{2}$ annas, you will immediately get your 2½ lakhs. I see no objection to further taxing the manufactured article in order to enable the industry in this country to get some encouragement. I would suggest that Government should look into this question from that point of view, and in such matters we must be prepared to give time to Government to investigate the matter on the assurance that steps will be taken at a very early date, and that Government feel, as we do, that this industry should be encouraged.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, I enjoy the unenviable distinction of having been a Member of a Committee, not a single of whose recommendations has so far been accepted by the Government. (Laughter.) The Indian Cinematograph Committee was appointed by the Government in the Home Department about five years ago, and there were six members in all including the Chairman, five of whom had at one time or another been Members of the Central Legislature. The Chairman was our Honourable friend, Diwan Bahadur Rangachariar, whose absence from the front Opposition Benches we regret very much today. Of our colleagues our distinguished and gallant friend, Colonel Crawford, is alas! no longer with us, and so also is the case with my friend, who was a distinguished Member of the other House, Sir Ibrahim Haroon Jaffer. Now, Sir, so far as the present Legislature goes, I am practically the sole survivor among the members of that Committee in this House. Now, this Committee was appointed with three different objects as set out in the Resolution under which it was appointed. The first was to examine the organization and the principles and methods of

the censorship of the cinematograph films in India,—a question which concerns the Home Department; secondly, to survey the organization for the exhibition of cinematograph films and the film producing industry in India,—perhaps this relates to the Department of Industries; and, thirdly, to consider whether it is desirable that steps should be taken to encourage the exhibition of films produced within the British Empire generally and the production and exhibition of Indian films in particular. I do not know to which Department this particular recommendation relates. Perhaps it has as much concern with the Department of Commerce as with the Department of Industries. When the report was published, I understand, no Department of Government was very eager to acknowledge it as having anything to do with itself. That position went on for sometime. I have heard uncharitable critics of Government say that the reason why the enthusiasm of Government in regard to this inquiry had oozed out was to be found in the recommendations of the Committee itself. These uncharitable critics say, for instance, that one of the objects of the appointment of this Committee was to get a kind of preference for the British film producer in the Indian market, and that Government expected perhaps that the Cinematograph Committee could be persuaded to recommend the imposition of a British quota of films on the Indian show-houses. To their surprise, continue these uncharitable critics, the Government found that this Committee, composed as it was of an equal number of Englishmen and Indians, had positively refused to make any recommendation of that character. On the other hand, they made a series of unanimous recommendations for the development and encouragement of the Indian industry. I quite admit that most of the recommendations would involve a financial outlay on the part of the Government, but there are certain recommendations which would require not so much financial assistance as facilities of different kinds to be granted by the different Departments of Government. I am not aware as to whether even in regard to such recommendations anything has been done up to date, and I am very glad to find my Honourable friend, Mr. Bajpai, in his seat just now, because some of these recommendations relate to his Department. When this report had been made, it met with general acceptance with the Indian section of the press and at the hands of non-official Members of this House, and a Resolution was moved in January, 1929, asking that the recommendations of the Committee be given effect to. On that occasion, the Honourable Sir Bhupendra Nath Mitra, speaking on behalf of the Government, gave a definite assurance that the Government were going into the matter very carefully, and not merely that. He said that before September, 1929, they were sure to arrive at definite conclusions. I think I should read out just one or two sentences from his speech, because, otherwise, I might be laying myself open to the charge of misinterpreting him on this point. He said:

"I can assure Colonel Crawford (who spoke on that occasion) that the Government of India will do their best to expedite matters and we hope that, before this House meets again in Simla, we shall arrive at some settlement with the Provincial Governments concerned and shall be in a position to take action in regard to the various recommendations."

He was referring to some of the recommendations which required the opinions of the Provincial Governments to be obtained before any action could be taken by the Government of India; and here is a definite assurance on behalf of the Government that before September, 1929, something definite would be done. Very nearly three years and a half have elapsed

[Mr. K. C. Neogy.]

since then. And much as I value my Honourable friend, Sir Frank Noyce's sympathies in this matter, I should like him to tell this House as to whether any action was taken in pursuance of that assurance given on the floor of this House by Sir Bhupendra Nath Mitra. As far as I can see, that issue is as much uncertain today as it ever was. My Honourable friend has said that the Government have scheduled this industry as an industry entitled to early relief if and when finances permit. I should like him to tell this House as to whether that is the sum total of the Government conclusions which were promised by Sir Bhupendra Nath Mitra in January, 1929, and, if so, I should also like him, or Sir George Schuster, as he is the Member concerned in this matter, to tell this House, what the position of this industry is in the graduated list of industries entitled to relief.

It was only yesterday that we heard from the Honourable the Finance Member that in the schedule of priority of claims to relief first stands the services. If there is financial solvency in future, then they are the first party to be entitled to relief in respect of the emergency cut. As far as I could judge from the Honourable the Finance Member's speech yesterday, the next would be the income-tax payers in respect of the surcharge. I should like to have a full list of the priority of the claims set out before this House which would enable us to judge as to what particular place industries generally and this industry, in particular, occupies in that list. My Honourable friend has promised to look into the question of the "drawbacks" just to see as to how far the law could be tightened up in order to yield a revenue which might compensate Government for the financial loss which would be involved in accepting this Resolution. I do not want my Honourable friend to hold out any false hope in that matter, because that is a point into which we had to go in the Cinematograph Committee and, if we turn to para. 159, we find the position set out as we found it at that time. We found that at that moment there was no considerable quantity of imported exposed films which were being re-exported and which qualified on that account for a refund. But, then, there is another point which perhaps might interest the Honourable the Finance Member as being in charge of the Central Board of Revenue. It is this. What is being said today in effect is that the period of two years, which is allowed for re-exportation, and which re-exportation qualifies the exporter for a refund of the duty, is too long a period, and that, as a matter of fact, although the exposed films lose their value as exposed films, they are being re-exported merely for the sake of getting this refund. That, I take it, is the substance of the statement made by one of the Honourable Members who spoke in this connection. Now, here again the present position seems to be that if an article which is re-exported becomes worthless in value, a refund could altogether be refused. We had to refer to this particular point in the paragraph to which I referred, namely, paragraph 159 and this is what we said:

"If, however, a film had been exhibited all over India, it would possess little value when re-exported and the Sea Customs Act prohibits the payment of a draw-back on any article which is not worth the duty."

Now, Sir, I do not know whether there is anything in the point which has been made by my Honourable friend, Mr. Goswami M. R. Puri, but if there is anything in it, I dare say, the Honourable the Finance Member will ask the Central Board of Revenue to see to it that this particular

provision of law is not evaded; that is to say, no rebate or drawback is allowed on films which are not qualified, strictly speaking, for the rebate or drawback on the ground that it is absolutely worthless, after it had been exhibited for about two years in this country. We have to be thankful for small mercies in these days, and I, therefore, welcome the assurance that the Honourable Member in charge has given us that the industry might look forward to some kind of relief within the next few months; but I did not like his coupling that assurance with the problematical result of his inquiry into the question of drawbacks, because I am very much afraid that he would be disappointed, when he makes that inquiry, with its result, and I would like him to give us an unqualified assurance in this matter.

An Honourable Member: I move that the question be now put.

Mr. Chairman (Sir Hari Singh Gour): I accept the closure. The question is:

"That the question be now put."

The motion was adopted.

Mr. Lalchand Navarai: Sir, I am very much thankful to the Honourable Members of this House who have agreed with me that this film industry is a useful industry and that, as such, it should be given every encouragement. I am not in the least disappointed by what my Honourable friend, Mr. Yamin Khan, said. I took it that he put his two view-points, one, that of his own personal attitude and the other, that of his own constituency. Sir, with regard to his personal view-point, he really said that this industry deserves some help. Sir, he thinks that when the position will change, then this industry should be helped. I think, to say that when the position will change, then only should this industry be helped, is not to say anything with assurance . . .

Mr. Muhammad Yamin Khan: Sir, on a point of personal explanation. I never said that this industry may not get help until the position changes. I said that there will be nobody in the House who will oppose the proposition that the total duty should be taken away when we shall find clearly that the cinematographs prove to be really educative and not mere places of amusement; but that, even before that time, they do deserve some kind of consideration.

Mr. Lalchand Navarai: I have taken down the words and I think the Honourable Member said: "the position may change, and then such a Resolution may be accepted."

Mr. Muhammad Yamin Khan: I did not say that.

Mr. Lalchand Navarai: These are the words I took down. Then coming to the other question, that the films that he saw the other day had no educative value, he will excuse me if I tell him that in the fascination of seeing them, he got absent-minded. Sir, I also saw these pictures. Of course they were only portions of the films shown as samples. One of them was that of a virtuous woman,—and is virtue educative or not? The second was with regard to the love of God.

Mr. Muhammad Yamin Khan: And the third was a prostitute's house.

Mr. Lalchand Navalrai: Not one noticed by me. Anyway, I am not disappointed at his statement, because whatever he said will certainly be taken by these companies into consideration and I have already said that the guiding idea of virtue and divine love depicted must be adhered to. Now, with regard to the attitude of the Government, I feel that much sympathy has been shown, but it has also been made clear to the House that this sympathy has been shown since a very long time and even a somewhat definite promise was made in 1929. Sir, I felt very much thankful to the Honourable Member for Industries and Labour when he said that this film industry is such as should play a worthy part. He has also said that they are entitled to early relief and for that too I am thankful.

Now, the question is, when is that relief going to come? Can we be expected to rely on such indefinite statements about the relief coming at an early date and so on, when we do not have any kind of assurance of the kind of relief and its advent? To say that it will come when the finances in the Budget improve, is to make no satisfactory reply at all. Sir, when I heard the statement made by my Honourable friend, Mr. Neogy, it was clear that there is not much hope of relief in the drawback problem. But where there is a will, there is a way. I am sorry, I do not see the Honourable the Finance Member in his seat, but it is no doubt true that he will have to join hands in order to give early relief to the film industry. I know he is a genius for producing balanced Budgets and in giving help to certain industries in one way or other. Sir, I do not want to specify in what exact manner the help should be given, but I do hope and I request the Treasury Benches to give some more definite assurance than the one that has been given. My Honourable friend, Sir Cowasji Jehangir, has already put that very plainly to the Treasury Benches and I would repeat that a more definite assurance should come. The subject-matter of this Resolution has been hanging fire since a very long time, and now when there is sympathy expressed from all sides and when it is freely acknowledged that this industry should be helped, to postpone that would be really doing a disservice to an industry of this kind and would amount to not helping it at all.

Sir, before making up my mind for withdrawing this motion, I would again appeal to the Treasury Benches to be more definite and promise that they are really giving early relief. A definite statement on that point will be welcome and I will wait for it.

The Honourable Sir Frank Noyce: Sir, I have very little to add to what I have already said. I very much wish that I were in a position to give my Honourable friend, Mr. Lalchand Navalrai, and also my Honourable friend, Sir Cowasji Jehangir, rather more definite assurances than I have been able to give. But I did attempt to explain to the House the difficulties under which I am labouring. I explained to the House that it was not possible, in view of the financial position, as explained by my Honourable colleague, the Finance Member, yesterday, to accept the recommendation as it stands. I went on to explain that we would do our best by going into this question of drawback to see whether we could give relief to the industry in that way; and there was perhaps one point which I did not make sufficiently clear. I did not make it clear that, if we found on looking into this question of drawback,

that we could recoup ourselves to some extent, we are prepared to give the industry the benefit to that extent. I should like to make that perfectly clear. We are prepared to reduce the import duties *pro tanto* to anything we get from the reduction or abolition of the rebate on exposed films re-exported.

Sir Cowasji Jehangir: Will the Honourable Member consider the proposal to increase the value to above four and a half annas per foot?

The Honourable Sir Frank Noyce: I would once more repeat most emphatically that Government are opposed to any juggling of tariff valuations in order to afford protection to the industry. But I am quite willing, in consultation with my Honourable colleague, the Finance Member, to get that point examined by the Central Board of Revenue in order to make sure that the valuations of the exposed films and of raw materials are fair to both. Further than that, I cannot go and I cannot promise that the results of that re-examination will alter the present position. At present, as has been mentioned in the course of the debate, the valuation of the exposed film is four annas six pies per foot, whereas that of the raw material is only eight pies a foot. It does, therefore, seem to me that that difference in the values of the two allows for all the circumstances, such as wastage. I notice my Honourable friend is shaking his head. If he can do anything to convince the Central Board of Revenue on the subject, I am sure they will be grateful to have any information he can give.

I do not propose to follow my Honourable friend, Mr. Neogy, into his discussion of what happened to the report of the Cinematograph Committee. I can assure him that he is not alone in having been a member of a Committee, the recommendations of which were not accepted. I can recall some of my own experiences in that direction. (Laughter.) But I would say that I am not competent to deal with that very wide aspect of the case, but I have only personally been concerned with a much more limited aspect of the Cinematograph Committee's report. I can tell him what, I am sure, will gratify him that when I was Secretary to the Department of Education, Health and Lands, we did secure the acceptance of one of the recommendations in his report which was that educational films should be admitted free of duty, as they are today.

I do not wish to detain the House any longer. I am sorry that I have not gone as far to meet my Honourable friend, Mr. Lalchand Navalrai, as he would like. I hope he will now come part of the way to meet me.

Mr. Lalchand Navalrai: Sir, I am not concerned with the way in which adjustment is to be made, but what I am concerned with is that relief should be given. And, after hearing the Honourable Member, I am convinced that there is really a sincere desire, on his part and on the part of his colleagues, to give help and early relief to this industry. In that view of the case, I ask for leave of the House to withdraw the Resolution.

The Resolution was, by leave of the Assembly, withdrawn.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 2nd March, 1933.

LEGISLATIVE ASSEMBLY.

Thursday, 2nd March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Chairman (Sir Hari Singh Gour) in the Chair.

QUESTIONS AND ANSWERS.

AGE OF JUSTICE SIR WAZIR HASAN, THE CHIEF JUDGE OF THE OUDH CHIEF COURT.

600. ***Mr. Gaya Prasad Singh:** (a) Has the attention of Government been drawn to the following question put in the United Provinces Legislative Council on the 25th November, 1932, regarding the age of Justice Sir Wazir Hasan, the Chief Judge of the Oudh Chief Court:

Khan Bahadur Haji Muhammad Obaidur Rahman Khan: "Is the Government prepared to refer to higher authority the question of the correct date which should be assumed for deciding the age of the Chief Judge under the rules regulating the tenure of Judicial appointments"?

and the following answer of the Finance Member of the United Provinces:

"The Chief Judge himself has requested that the matter be referred to the Governor General in Council for decision. Action is being taken accordingly"?

(b) Have Government received any reference from the United Provinces Government on the above subject; and will they be pleased to place all the papers received on the table?

(c) Are Government aware that there is a good deal of dissatisfaction amongst the public concerned in Oudh, owing to the fact that the son of the Chief Judge is frequently allowed to appear in his father's Court?

(d) Is it a fact that there is a discrepancy in the age of the Chief Judge as given in his University examination certificate and the statement said to have been made by his father before his death in 1905, with the result that the time for his retirement is extended?

The Honourable Sir Harry Haig: (a) Yes.

(b) The answer to the first part of the question is in the affirmative and to the second in the negative.

(c) The matter is not one on which the Government of India have information.

(d) No date of birth is given in the University examination certificate: the age there given is admittedly of a general character. The date of birth given by the Chief Judge on first appointment to the Court as an officiating Judicial Commissioner was accepted by the Local Government in 1920.

Mr. Gaya Prasad Singh: Are Government aware that in reply to a question in the United Provinces Legislative Council asked by Mr. Muhammad Habibullah on the 3rd November last, the Honourable the Finance Member of the United Provinces Government replied that, to the best of his knowledge, it was on the entry in the Gazette in the light of further documents produced by the Chief Judge, or on behalf of his father, that his age was accepted as stated?

The Honourable Sir Harry Haig: I did not quite follow the whole of that statement, Sir. The question was whether I was aware of any particular answer. I was not aware of that particular answer, nor did I quite follow the nature of the answer.

Sir Muhammad Yakub: Are Government aware that the Chief Judge, Oudh Court, is a victim of communal propaganda and also a propaganda by certain interested persons against him?

The Honourable Sir Harry Haig: I am not well acquainted with the circumstances under which this question has arisen. I am merely concerned with the facts.

Mr. Gaya Prasad Singh: Are Government aware that the Oudh Bar Association passed a resolution on the 19th October, 1932, that having regard to certain practices affecting the administration of justice in the Chief Court, they wanted to go in a deputation to His Excellency the Governor of the United Provinces, and that the deputation consisted of four Hindus, three Muhammadans, one Parsi and one European?

The Honourable Sir Harry Haig: No, Sir, I was not aware of that, and in any case, it appears to me to have nothing to do with the Government of India.

Mr. Gaya Prasad Singh: Are Government aware that questions were asked in the United Provinces Legislative Council by many Muhammadan Members of that Council on this subject on the 3rd, 7th and 25th November last?

The Honourable Sir Harry Haig: It is perfectly possible, but I maintain that questions of this nature asked in the United Provinces Legislative Council concern that Council and not this Assembly.

Sir Muhammad Yakub: Are Government aware that the brother of an Ex-Judge of the Chief Court was practising in Lucknow before his own brother for a long time and that no objection was raised to it? Are Government also aware that the two sons of the late Sir Promoda Charan Banerjee of the Allahabad High Court were appearing before their father for a long time and that no objection was ever raised to it?

The Honourable Sir Harry Haig: No, Sir, I was not aware of these matters, which appear to me as I have already said to be questions which should be more properly raised in the local Legislative Council.

Mr. C. C. Biswas: Are Government aware that a very similar state of things did prevail in the Calcutta High Court also some years back?

The Honourable Sir Harry Haig: No, Sir. I am afraid I must plead guilty to ignorance of that fact.

Sir Muhammad Yakub: Are Government aware that Justice Sir Wazir Hasan has directed his son for some months past not to appear before him?

The Honourable Sir Harry Haig: Well, Sir, it appears to me that under the guise of questions a great deal of information is being imparted to me.

Mr. K. Ahmed: Are Government aware that at the time when Sir William Vincent was Home Member, questions of a similar nature were asked about a cultured and eminent Judge of the Calcutta High Court whose son and son-in-law appeared before him and that the answer given was that Government would not interfere with that sort of practice, but at the same time would leave the matter to the good sense of the Honourable Judge before whom his relatives appeared?

The Honourable Sir Harry Haig: These questions, Sir, I understand, are left for adjustment between the Courts concerned and the local Bar Councils.

NEXT SESSION OF THE INDIAN NATIONAL CONGRESS.

601. *Rai Bahadur Sukhraj Roy: (a) Will Government be pleased to state whether they are aware that this year's session of the Congress is going to be held shortly in Delhi at the instance of Pandit Madan Mohan Malaviya?

(b) If so, is it intended to allow it to hold its session peacefully and without any disturbance or to put a ban upon it?

(c) Are Government aware that one of the most important subjects that will come up for discussion before this session will be the advisability of accepting or rejecting the new constitution to be introduced in this country?

(d) What steps do Government propose to take to afford all reasonable facilities to the Congress for a free, full and frank debate on the above matter?

(e) Are Government prepared to give an undertaking that no interference with the legitimate activities in connection with the open session of the Congress will be attempted on their part? If not, why not?

The Honourable Sir Harry Haig: I would refer the Honourable Member to the answers given by me in this House yesterday to the short notice questions asked by Messrs. S. C. Mitra and S. G. Jog and the supplementary questions on the subject.

DELHI CONSPIRACY CASE.

602. ***Rai Bahadur Sukhraj Roy:** (a) Will Government be pleased to state the total amount of cost incurred in prosecuting the Delhi Conspiracy case?

(b) When did it begin, and how long did it last?

(c) Why was the case ultimately withdrawn, and at whose instance was this done?

(d) Has any compensation been awarded to the accused? If not, why not?

(e) Was the Legal Remembrancer consulted before launching the prosecution?

The Honourable Sir Harry Haig: (a) and (c). I would refer the Honourable Member to the reply given by me on these points to Mr. M. Maswood Ahmad's question No. 473 on the 24th February, 1933.

(b) The case began on the 9th April, 1931. The trial before the tribunal was dropped on the 3rd February, 1933.

(d) No such question arises. .

(e) No.

NEWSPAPERS PURCHASED BY THE DEPARTMENTS OF THE GOVERNMENT OF INDIA.

603. ***Rai Bahadur Sukhraj Roy:** (a) Will Government be pleased to state the total number of *The Statesman*, *The Amrita Bazar Patrika*, *The Englishman*, *The Hindustan Times*, *The Leader* and other important dailies purchased by the different Departments of Government separately?

(b) What are the general principles, if any, followed in the purchase of such papers?

(c) What is the total amount of expenditure incurred by Government under this head?

(d) In what Department is the purchase of these papers vested and who is the final deciding authority?

(e) Is it proposed to appoint a standing committee to guide and control the policy in the purchase of these papers?

The Honourable Sir Harry Haig: (a) and (c). I lay a statement on the table.

(b) and (d). No general principle is followed. Each Department decides for itself what newspapers it needs for its own purposes.

(e) No.

expenditure incurred by Government on that account.

[illegible]

AMOUNT SPENT IN CONNECTION WITH THE MADRAS AND SOUTHERN MAHRATTA RAILWAY STRIKE.

604. *Mr. K. P. Thampan: Will Government be pleased to state:

- (a) what is the total amount expended by the Madras and Southern Mahratta Railway, in doing counter-propaganda work against the recent strike; and
- (b) what is the total amount paid by the Madras and Southern Mahratta Railway, to Messrs. King and Partridge, the Railway solicitors, for services rendered in connection with the strike?

Mr. P. R. Rau: I have called for information and will lay a statement on the table in due course.

LEGAL WORK OF RAILWAYS.

605. *Mr. K. P. Thampan: Will Government be pleased to state:

- (a) how many cases were entrusted to Messrs. King and Partridge, Solicitors, by the Madras and Southern Mahratta Railway, in 1930, 1931 and 1932 in which the Company figured as a party, and how many of them were decreed in favour of the Railway;
- (b) how many cases were entrusted to the Company's advocates in 1930, 1931 and 1932, and how many of them were decreed in favour of the Railway; and
- (c) in view of the need for strict economy, whether Government are prepared to direct that the legal work of all Railways should be entrusted hereafter only to suitable advocates in preference to Solicitors?

Mr. P. R. Rau: Government have no information. I have forwarded a copy of the Honourable Member's question to the Agent, Madras and Southern Mahratta Railway, for consideration of the suggestion.

DISCHARGE OF RAILWAY EMPLOYEES CONSIDERED MEDICALLY UNFIT FOR ONE CLASS OR GROUP.

606. *Mr. K. P. Thampan: Will Government be pleased to state whether, with reference to my starred question No. 1222 of the 15th November, 1932, and the answer thereto, they have since circularised all Company-managed Railways not to discharge persons medically condemned as unfit for one class? If so, are Government aware that one T. Kumariah of the Madras and Southern Mahratta Railway, was discharged after 16 years of service in contravention of this principle because he was medically condemned for A class?

Mr. P. R. Rau: As stated in my reply to the question referred to, Government have written to the various Railway Administrations to continue to follow the principle recommended by the Royal Commission on Labour. Government are not aware of the case referred to in the second part, but the matter is being referred to the Agent, M. & S. M. Railway for any necessary action.

Mr. K. P. Thampan: If it is really a fact that this particular employee was discharged in contravention of the terms of the Circular referred to by my Honourable friend; does the Railway Board approve of that action?

Mr. P. R. Rau: My Honourable friend has given me certain papers on the point, but as I have not got any information on the subject from the Agent of the M. & S. M. Ry., I am not in a position to make any statement on it.

POST OF PERSONNEL OFFICER ON THE MADRAS AND SOUTHERN MAHRATTA RAILWAY.

607. ***Mr. K. P. Thampan:** Will Government be pleased to state, with reference to the post of Personnel Officer created in the Madras and Southern Mahratta Railway, for two years (*vide* question No. 709 of 1931):

- (a) whether it is proposed to continue or abolish the post when the period of two years expires; and
- (b) how many cases of employees were referred to this officer and whether he made any independent investigation and modified or reversed the orders of the Chief Transportation Superintendent in any case and, if so, in how many cases and in what manner?

Mr. P. R. Rau: (a) The present sanction for the post expires on the 31st August, 1933. The question whether it is necessary to continue this post thereafter is under consideration.

(b) Appeals submitted to the Agent are investigated by the Personnel Officer, who, after having collected relevant information from all available sources, prepares the case for the consideration of the Agent. Government do not consider that the collection of information as to the number of cases referred to this officer and the number of cases in which his opinion was contrary to the opinion of the Chief Transportation Superintendent would serve any useful purpose.

Mr. K. P. Thampan: Sir, is it not a fact that this appointment was created only temporarily for a period of two years?

Mr. P. R. Rau: I believe it was created for two years in the first instance, and, thereafter, it has been continued by temporary sanctions from time to time.

Mr. K. P. Thampan: Were Government satisfied about the necessity of continuing this appointment after the expiration of two years for which it was created?

Mr. P. R. Rau: If they had not been satisfied, they would not have sanctioned its continuance.

Mr. K. P. Thampan: Do they think of continuing the appointment after the extended term has expired?

Mr. P. R. Rau: As I have already said, the question, whether it is necessary to continue the post after the expiry of the present sanction, is under consideration.

Mr. K. P. Thampan: Is it a fact that this gentleman was a steward in the Guindy Race Club?

Mr. P. R. Rau: I am informed that he was not a steward of the Race Course; before his appointment as Personnel Officer, he was employed for years as paid Assistant Secretary of the Madras Race Club.

Mr. K. P. Thampan: What are his qualifications for this appointment, if he has any?

Mr. P. R. Rau: I am informed by the M. & S. M. Railway that he had a first class education combined with 19 years' service as an active regular officer of the Indian Army, nearly two years of which was spent as Military Secretary on the staff of the Governor of Madras.

Mr. K. P. Thampan: Is service in the Army a qualification for the post of Personal Assistant to the Traffic Manager?

Mr. P. R. Rau: I hope, Sir, it is not a disqualification.

ORDERS PROHIBITING GOVERNMENT SERVANTS TO ATTEND THE SWADESHI EXHIBITION IN DELHI.

608. ***Mr. Gaya Prasad Singh:** (a) Is it a fact that a Government circular prohibiting Government servants from attending any processions or functions organised by the Congress was brought to the notice of Government servants on the eve of the opening of the *Swadeshi* Exhibition in Delhi recently? If so, will Government please lay a copy of such circulars or orders on the table?

(b) Are Government aware that the *Swadeshi* Exhibition in Delhi was not organised by the Congress?

The Honourable Sir Harry Haig: (a) As far as I am aware, no such action has been taken.

(b) I have no information on the point.

CONFIRMATION OF TEMPORARY PEONS IN THE LEGISLATIVE DEPARTMENT.

609. ***Mr. D. K. Lahiri Chaudhury:** Is it a fact that there are many temporary peons in the Legislative Department who move every year from Delhi to Simla and *vice versa*; if so, why are they not made permanent?

Mr. D. G. Mitchell: The answer to the first part is in the affirmative. The system whereby a proportion of the normal staff of peons is maintained on a temporary footing is of old standing and has been retained in the interests of economy.

ASSESSMENT OF INCOME-TAX AND SUPER-TAX IN THE UNITED PROVINCES.

610. ***Lala Rameshwar Prasad Bagla:** (a) Will Government be pleased to state:

- (i) the amount of income-tax, and (ii) the amount of super-tax, which was assessed in the United Provinces in the years 1929-30, 1930-31 and 1931-32?

(b) How much under each of the above two heads was assessed communitywise among Hindus and Muhammadans?

The Honourable Sir George Schuster:

	1929-30.	1930-31.	1931-32.
	Rs.	Rs.	Rs.
(a) (i) Income-tax	69,21,921	68,49,188	86,66,426
(ii) Super-tax	20,29,577	18,23,482	18,83,908

(b) The required information cannot be supplied as payments of tax are not classified according to the community to which a tax-payer may belong.

INCREASE IN INCOME AFTER THE INTRODUCTION OF THE NEW POSTAL RATES.

611. *Lala Rameshwar Prasad Bagla: Will Government be pleased to state whether the introduction of the new postal rates increased the income on that account? If the reply be in the affirmative, what is the amount of increase up to the 1st January, 1933?

The Honourable Sir Frank Noyce: The total receipts realised from the sale of postage stamps of all kinds during the twelve months ending on the 31st December, 1932, exceeded similar receipts during the immediately preceding twelve months by more than Rs. 20½ lakhs. As already stated in reply to Kunwar Hajee Ismail Ali Khan's starred question No. 355 on the 20th February 1933, these receipts do not represent purely postal receipts.

UNCLEAN THIRD AND INTERMEDIATE CLASS COMPARTMENTS ON THE MAIN LINE OF THE EAST INDIAN RAILWAY.

612. *Lala Rameshwar Prasad Bagla: Are Government aware that on the main line of the East Indian Railway; third and intermediate class compartments are not kept properly clean? If so, are Government prepared to take necessary steps to remove the grievances of the public in the matter?

Mr. P. R. Rau: Government have not hitherto received complaints in the matter, but will send a copy of the question to the Agent, East Indian Railway, for any necessary action.

PERSONS IN JAIL CONVICTED IN CONNECTION WITH THE CIVIL DISOBEDIENCE MOVEMENT AND OTHER POLITICAL MOVEMENTS.

613. *Lala Rameshwar Prasad Bagla: Will Government be pleased to state the number of persons in jail in the different provinces (each province separately) on the 31st January, 1933, who were convicted in connection with the civil disobedience movement or other political movements?

The Honourable Sir Harry Haig: With your permission, Sir, I will answer questions Nos. 613 and 614 together.

I lay on the table a statement giving the information in my possession relating to the civil disobedience movement.

Statement showing (a) number of persons convicted, though not necessarily sentenced to imprisonment, for offences connected with the civil disobedience movement and (b) the number of persons undergoing imprisonment.

Province.	Number of persons convicted, though not necessarily sentenced to imprisonment, for offences connected with the civil disobedience movement since the revival of the movement up to the end of January, 1933.	Number of convicted persons undergoing imprisonment at the end of January, 1933.
Madras	3,232	1,051
Bombay	13,240	3,522
Bengal	12,091	1,704
United Provinces	13,390	2,848
Punjab	1,721	300
Burma	—	..
Bihar and Orissa	12,769	2,035
Central Provinces	3,969	214
Assam	1,237	199
N.-W. F. P.	5,825	1,660
Delhi	1,016	120
Coorg	257	99
Ajmer-Merwara	283	36
Total	69,030	13,788

PERSONS ARRESTED IN CONNECTION WITH THE CIVIL DISOBEDIENCE MOVEMENT AND OTHER POLITICAL MOVEMENTS.

†614. *Lala Rameshwar Prasad Bagla: Will Government be pleased to state the number of persons arrested up to the 31st January, 1933, after the Second Round Table Conference, in connection with the civil disobedience movement and other political movements in the different provinces?

† For answer to this question, see answer to question No. 613.

ROUND TABLE CONFERENCE REPORT IN CONNECTION WITH THE EDUCATION OF ANGLO-INDIANS.

615. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that the Round Table Conference Report in connection with the education of Anglo-Indians is under the examination of the Government of India?

(b) Will Government please lay their recommendations in connection with the matter referred to in part (a) on the table of the House?

(c) Do Government propose to consider the question of education of the other minorities in India also?

Mr. G. S. Bajpai: (a) The Report has been referred to Local Governments.

(b) The Government of India have made no recommendations.

(c) No.

Mr. M. Maswood Ahmad: In order to secure uniformity of educational standard and co-ordination of Muslim education throughout India, do the Government of India propose an inter-provincial board for Muslim education as it has been suggested for our Anglo-Indian friends?

Mr. G. S. Bajpai: No, Sir.

Mr. M. Maswood Ahmad: Will Government be pleased to state why they do not think it desirable for Muslims while they think it desirable for Anglo-Indians?

Mr. G. S. Bajpai: My Honourable friend is aware that this recommendation was made by the Round Table Conference at the initiative and with the support of my Honourable and gallant friend, Lieut.-Colonel Sir Henry Gidney. The representatives of the Muslim community at the Round Table Conference evidently did not think that such a measure was necessary.

Dr. Ziauddin Ahmad: May I ask whether it is not a fact that the Simon Commission recommended the establishment of a similar board for the education in general and not for any particular community, and that the Government repeatedly promised that they would establish it, but that nothing has yet been done for want of a paltry sum of Rs. 40,000?

Mr. G. S. Bajpai: I think my Honourable friend remembers very well the answer that I gave to this question a few days ago: the auxiliary committee did make such a recommendation; the Government of India have accepted the recommendation and the Local Governments, who were consulted, are in agreement with their conclusion, but unfortunately there is no money available at the present to make a start.

Diwan Bahadur A. Ramaswami Mudaliar: Has the attention of my Honourable friend been drawn to a message from Calcutta wherein an extract from the speech of the Metropolitan appears in which he takes exception to the fact that Local Governments have been asked to take action on the report, and may I ask the Honourable Member if it is true that Local Governments have been asked to take action on the report?

Mr. G. S. Bajpai: As I have stated in reply to part (a) of this question, the matter has been referred to Local Governments. Some replies have been received and they are under consideration.

Diwan Bahadur A. Ramaswami Mudaliar: Am I to understand from that reply that there is an intention to review or reopen the decision that has been arrived at at the last Conference on the subject?

Mr. G. S. Bajpai: My Honourable friend knows what the Secretary of State stated on this subject the other day in the House of Commons: he said that the matter is under examination by the Government of India. That is the position. I am not prepared to say anything more than that at this stage.

Diwan Bahadur A. Ramaswami Mudaliar: Will the Government of India, in its recommendation to the Secretary of State on the subject, consider the advisability of reporting to the Secretary of State that that report was arrived at as a measure of compromise and that any re-opening of the subject will tend to throw the whole question into the melting pot again?

Mr. G. S. Bajpai: My Honourable friend may rest assured that the Government of India, if they make any recommendations at all, will make them with due regard to the solemnity of the conclusions reached at the Round Table Conference.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform the House whether it is possible for Local Governments to alter the decision arrived at by the Round Table Conference?

Mr. G. S. Bajpai: Obviously not.

Lieut.-Colonel Sir Henry Gidney: Is it the intention of the Local Governments in any way to alter radically, outside the question of necessary modification, the constitution of the frame work of that report?

Mr. G. S. Bajpai: My Honourable friend has already been answered partially in the reply which I gave to the previous supplementary question, namely, that it is not competent to Local Governments to alter the recommendations of the Round Table Conference: they can only make representations.

Mr. F. E. James: May I ask the Honourable Member whether he has received any representations either from Local Governments or from interested organisations regarding the proposed constitution of the suggested Central and Provincial Boards for Anglo-Indian education?

Mr. G. S. Bajpai: Yes; representations have been received from Local Governments and also from certain interested organisations.

Lieut.-Colonel Sir Henry Gidney: May I ask whether those representations were received after the Irwin Report or before, and whether they indicate apathy or exhumed interest?

Mr. G. S. Bajpai: The representations referred to by the Honourable Member have been received since the Irwin Report was received in this country. As to the reaction of the public to that report, my Honourable friend is in a better position to speak upon it than I.

Mr. M. Maswood Ahmad: Do Government suggest that because the Muslims in the Round Table Conference did not press for safeguarding Muslim education, so Government is not going to consider it?

Mr. G. S. Bajpai: The point is that Government have taken no initiative in this matter at all. The report relating to European and Anglo-Indian education is a report of the Round Table Conference and it follows logically that whether it be as regards the Muslim community or any other community, no question of action by the Government arises, unless the Round Table Conference makes a recommendation.

Mr. M. Maswood Ahmad: Are Government aware that the Muslim community wants some sort of protection such as that suggested by the Round Table Conference for Anglo-Indians and Europeans?

Mr. G. S. Bajpai: This is the first time I have heard of it.

Mr. M. Maswood Ahmad: Are Government aware that the representatives of the three Round Table Conferences were not elected by any Muslim organisations and that they were nominated by the Government?

Mr. G. S. Bajpai: If my Honourable friend is challenging the representative character of the delegates who went to the Round Table Conference, perhaps he would permit me to remind him that when a similar suggestion was made in the Round Table Conference itself in 1931, it was most strongly repudiated.

Lieut.-Colonel Sir Henry Gidney: While paying my tribute of thanks to my Indian colleague of the Round Table Conference, will the Honourable Member inform the House whether the Government will take care that nothing that may be said or done discreet or indiscreet, in this country or in or out of this House now will, in any way, wreck what has already been given to Anglo-Indian education, especially in view of the fact that the Round Table Conference amongst its many activities gave two great preferences, that is the protection of the Ecclesiastical Department and Anglo-Indian Education?

Mr. G. S. Bajpai: My Honourable friend knows perfectly well that it is not competent to any Government in India to wreck the conclusions of the Round Table Conference.

Mr. N. N. Anklesaria: May I know what position, if any, does the Round Table Conference occupy in the Indian constitution? Are its decisions in any way binding on the Government of India and the Local Governments?

Mr. G. S. Bajpai: My Honourable friend knows perfectly well both the scope and standing and purposes of the Round Table Conference.

Mr. N. N. Anklesaria: I want to know it from the Honourable Member.

Mr. G. S. Bajpai: My Honourable friend can have it from me that it is not necessary for the Round Table Conference to be an integral part of the Indian constitution in order that its recommendations may carry weight.

Mr. N. N. Anklesaria: I want a specific answer to my specific question whether the decisions of the Round Table Conference are in any way binding on the Government of India or any Local Government in India?

Mr. G. S. Bajpai: The recommendations of the Round Table Conference, as my Honourable friend is perfectly aware, are the subjects of consideration by His Majesty's Government with a view to embodiment in a White Paper which will be laid before Parliament in due course.

Mr. M. Maswood Ahmad: Is it the intention of the Government to see that when next they send representatives to the Joint Select Committee that the members are elected by the elected representatives of this House? Or is it their intention to nominate the members as before?

Mr. G. S. Bajpai: I think, Sir, at this stage Government are in no better position to make any statement as to how the representatives of the various communities will be sent to the Joint Select Committee.

Mr. K. Ahmad: Is it not a fact, Sir, that it is the pleasure of His Majesty the King to choose as many popular and unpopular (Laughter) Members as he likes and whether they are educated or otherwise? Is it not a fact that it is the pleasure of His Majesty the King, with the advice of the Secretary of State, to nominate these gentlemen and that the Government of India have no voice?

Mr. G. S. Bajpai: That question has often been answered on the floor of the House by the Honourable the Leader of the House.

Mr. K. Ahmed: Is that answer in the affirmative,—“Yes” or “No”? (Laughter.)

LETTER FROM THE SECRETARY OF STATE FOR INDIA IN CONNECTION WITH CONSPIRACY CASES.

616. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that Government have received a letter from the Secretary of State for India in connection with the conspiracy cases?

(b) If the answer to part (a) be in the affirmative, will Government please state the suggestions which they have received in this connection from the Secretary of State?

The Honourable Sir Harry Haig: (a) No.

(b) Does not arise.

Mr. M. Maswood Ahmad: Are Government aware that the Secretary of State, in reply to a question in the Parliament, stated that he was in correspondence with the Indian Government in connection with the Conspiracy Case prisoners with a view to devising some means to cut short the lengthy procedure?

The Honourable Sir Harry Haig: I am not sure precisely what the Secretary of State said. I have not got the reference with me at the moment.

Mr. M. Maswood Ahmad: Will the Honourable Member please inquire into the matter?

The Honourable Sir Harry Haig: I will certainly look up the point.

TRANSFER OF MEERUT CONSPIRACY CASE PRISONERS TO THE ANDAMANS.

617. ***Mr. M. Maswood Ahmad:** Will Government please state whether they have any intention of sending the prisoners convicted in the Meerut Conspiracy Case to the Andamans?

The Honourable Sir Harry Haig: There is no intention of sending these prisoners to the Andamans.

PRISONERS SENT TO THE ANDAMANS.

618. ***Mr. M. Maswood Ahmad:** Will Government please state the number of prisoners who have been sent to the Andamans during 1931, 1932 and in January, 1933?

The Honourable Sir Harry Haig: 1,113 prisoners were sent to the Andamans in 1931, 982 in 1932 and 41 in January, 1933.

GOLD AND SILVER RESERVES OF THE GOVERNMENT OF INDIA.

619. ***Mr. M. Maswood Ahmad:** Will Government be pleased to state what were their gold and silver reserves on the 31st January, 1930, 1931 and 1932?

The Honourable Sir George Schuster: A statement is laid on the table:

	Gold. (Millions of £.)	Sterling securities. (Millions of £.)	Silver. (Crores of Rs.)
31st January, 1930	26.36	39.70	108.62
31st January, 1931	26.36	33.30	121.12
31st January, 1932	33.26	10.36	115.83

INCLUSION OF THE PROPOSAL IN REGARD TO THE STATUTORY RAILWAY BOARD IN THE WHITE PAPER TO BE PRESENTED TO THE PARLIAMENT.

620. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that Government's proposal in regard to the Statutory Railway Board will be included in the White Paper which is going to be shortly presented to the Parliament?

(b) Will Government please state whether they were consulted in this connection or not?

The Honourable Sir Joseph Bhoré: The answer to both parts of the question is in the affirmative.

Mr. K. O. Neogy: In regard to part (b) of the question, is the Honourable Member in a position to state what opinion was expressed by the Government of India in regard to this matter?

The Honourable Sir Joseph Bhoré: I regret, Sir, that the matter is strictly confidential at the present moment, and I cannot give my friend information on the point.

Mr. K. O. Neogy: Is it not a fact that the initial suggestion for the establishment of a statutory railway authority was made by the Government of India themselves in their despatch in connection with the Simon Commission Report?

The Honourable Sir Joseph Bhoré: I believe that that is so.

Mr. K. O. Neogy: Have the Government changed their opinion since that despatch was sent?

The Honourable Sir Joseph Bhoré: I have already said that I cannot give any further information on this point. As it is strictly confidential, a reply would by implication be a publication of the views of the Government of India.

Mr. M. Maswood Ahmad: Have the Government seen the Resolution passed by the executive Board of the All-India Muslim Conference in connection with the Statutory Railway Board passed in the Western Hostel?

The Honourable Sir Joseph Bhoré: I believe, I have, Sir, but I should be much obliged if my Honourable friend would send me a copy.

PROPOSED SPECIAL SESSION OF THE LEGISLATIVE ASSEMBLY IN JUNE, 1933.

621. ***Mr. M. Maswood Ahmad:** Is it a fact that the Government of India are contemplating to hold a special Session of the Legislative Assembly in the month of June, 1933, for the consideration of the Reserve Bank Bill?

The Honourable Sir George Schuster: No action of this nature is at present being considered by Government.

UNSTARRED QUESTIONS AND ANSWERS.

ABOLITION OF THE OLD DELHI TELEGRAPH OFFICE AND THE CONVERSION OF THE MULTAN GOVERNMENT TELEGRAPH OFFICE INTO A COMBINED POSTS AND TELEGRAPHS OFFICE.

50. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the abolition of the Old Delhi Telegraph Office and the conversion of the Multan Government Telegraph Office into a combined Posts and Telegraphs office is contemplated?

(b) Will Government be pleased to state the procedure to be adopted for the delivery and despatch of messages in Old Delhi without causing delay to the traffic, in the event of the abolition of Lothian Delhi Telegraph Office?

(c) Will Government be pleased to state the particulars of Government Telegraph Offices, similar conversion whereof is under consideration and the savings likely to accrue thereby?

Sir Thomas Ryan: (a) The feasibility of combining the Delhi telegraph office with the General Post Office, Delhi, is under consideration but no decision has yet been arrived at. Orders to combine the Multan telegraph office with the Multan Post Office were issued in January last.

(b) Should the conversion of the Delhi Central Telegraph Office be decided upon, high-speed telegraph apparatus would probably be installed in the General Post Office, and the service would not be affected.

(c) In accordance with the long standing policy of reducing working expenses to a minimum compatible with efficiency, it is proposed to combine all small telegraph offices with the local post offices whenever this is economically desirable. The cases of all such offices are under consideration but it is not possible to state at present what actual amount of savings would result. The saving consequent on the conversion of the Multan telegraph office is estimated to be about Rs. 8,000 per annum.

GRANT OF LEAVE TO THE MUSLIM EMPLOYEES OF THE POSTS AND TELEGRAPHS DEPARTMENT ON THE BIRTHDAY OF THEIR PROPHET.

51. Mr. M. Maswood Ahmad: (a) Will Government please place on the table a copy of the orders allowing leave to Sikh employees of the Posts and Telegraphs Department on the birthdays of Guru Nanak Deo, Guru Gobind Singh and other *Gurus*?

(b) Will Government be pleased to state whether the Muslim employees of the Posts and Telegraphs Department are, similarly, allowed leave, on the birthday (*Id-i-Milad*) of their prophet, which is a gazetted and bank holiday throughout India?

(c) If the reply to part (b) is in the negative, do Government propose to issue necessary standing orders in this behalf?

The Honourable Sir Frank Noyce: (a) A copy of the orders is placed on the table.

(b) and (c). The orders provide that Sikh employees should be granted casual leave, as freely as circumstances admit, on the birthdays mentioned. The ordinary conditions regulating the grant of casual leave, of course, continue to apply; and there is no objection to similar orders issuing as to the grant of casual leave to Muslims for *Id-i-Milad*. Orders are being issued accordingly.

D.-O. No. 829-I. M./32/Mis.

Office of the Director-General of Posts and Telegraphs,
New Delhi, the 9th November, 1932.

The question of granting a Post Office holiday on the birthday either of Guru Nanak or Guru Govind Singh has been under consideration from some time. But as neither of these days is notified as a holiday under the Negotiable Instruments Act, it is not possible to allow a Post Office holiday on either of these days. It has, however, been decided that the Sikh employees in the Punjab and N.-W. F. Circle, should be granted casual leave as freely as circumstances permit on either or both of these days. I shall be obliged if you will kindly issue necessary instructions on the subject to all concerned at an early date.

To

Major A. Angelo, O.B.E.,
Postmaster-General,
Punjab and N.-W. F. Circle,
Lahore.

GRIEVANCES OF MUSLIMS IN THE DEHRA DUN POSTAL DIVISION.

52. Mr. M. Maswood Ahmad: (a) Has the attention of Government been drawn to an article entitled "Muslim grievances in Dehra Dun Division" published on pages 13-15 of the *Postal Advocate*, November 1932, issue?

(b) Is it a fact that unqualified Postal officials superseded qualified Postal officials to act as Head Clerk to the Superintendent Post Offices, Dehra Dun Division?

(c) Is it a fact that a senior approved Muslim candidate was allowed to be superseded by his junior a Hindu candidate in the Dehra Dun Division?

(d) Is it a fact that Government orders restricting recruitment to Revenue Division were not observed by the Superintendent, Post Offices, Dehra Dun Division for Hindu recruitment?

(e) Will Government be pleased to state the action taken or proposed to be taken on the grievances referred to in the article, *vide* part (a) above?

The Honourable Sir Frank Noyce: (a) to (e). Government have seen the article but have no information as to the matters referred to which are entirely within the competence of the Postmaster-General, United Provinces Circle, to whom a copy of the question is being sent. If as represented in the article, officials in the Dehra Dun Division are aggrieved it is open to them to seek redress in the usual way.

RETRENCHMENT OF JUNIOR OFFICIALS IN THE RAILWAY MAIL SERVICE, KARACHI.

53. Mr. M. Maswood Ahmad: (a) Will Government be pleased to state whether retrenchment of junior officials, when seniors are available for retrenchment, is contrary to Government orders?

(b) Is it a fact that Abdul Rahman who was only a Reserve Sorter, Railway Mail Service, Karachi, was retrenched?

(c) Is it a fact that Messrs. Mul Singh and Gobind Ram, Sorters, Karachi, who have completed 25 years' service were retained?

(d) If the replies to the above questions be in the affirmative, do Government propose to enquire into the matter and take necessary action?

The Honourable Sir Frank Noyce: (a) No; under certain circumstances it is permissible to retrench junior officials in preference to their seniors.

(b) Yes.

(c) Yes.

(d) The case is under enquiry and Government will take such action as they may consider necessary.

DELAY IN THE DISPOSAL OF APPEALS IN THE PUNJAB POSTAL CIRCLE.

54. Mr. M. Maswood Ahmad: (a) With reference to reply to starred question No. 1442, dated 28th November, 1932 (regarding delay in the disposal of appeals in the Punjab Postal Circle), will Government please state whether the case referred to in paragraph 2 of the letter has since been decided and, if so, with what result?

1462

LEGISLATIVE ASSEMBLY.

[2ND MARCH 1933.]

(b) Will Government please state the particulars of the Superintendent of Post Offices responsible for three years' delay in the disposal of the case for:

- (i) not taking up all the cases at one and the same time,
- (ii) not preserving the records, and
- (iii) not prosecuting the Sub-Postmaster, Sirsa?

Sir Thomas Ryan: Information has been called for and will be placed on the table in due course.

FREQUENT VISITS OF THE SUPERINTENDENT OF POST OFFICES, JULLUNDUR DIVISION, TO KAPURTHALA.

55. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the present Superintendent of Post Offices, Jullundur Division (Punjab), is a resident of Kapurthala, a Sub-Post Office in that Division?

(b) Will Government be pleased to state the number of visits made by the said Superintendent to Kapurthala since his appointment to that Division?

(c) Will Government be pleased to state whether the said Superintendent charged travelling allowance and daily allowance for all the visits?

(d) Is it a fact that the work shown as plea for visits could be performed, if at all necessary, by the Inspector at nominal expenses?

(e) Are Government prepared to enquire into this waste of public money and take necessary action?

Sir Thomas Ryan: (a) to (e). Government have no information. The matter is one with which the Head of the Circle is fully competent to deal and a copy of the question is being sent to him.

REPRESENTATION OF TELEPHONE OPERATORS ABOUT THEIR POSTS BEING MADE PENSIONABLE.

56. **Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state whether the posts of the telephone operators, appointed after 1st March, 1919, are treated as non-pensionable, and these officials are subject to discharge on a month's notice; if so, why?

(b) Will Government be pleased to state the action taken on the representations of telephone operators about the posts being made pensionable?

(c) Will Government be pleased to state how long this matter has been under consideration and when it is likely to be decided?

Sir Thomas Ryan: (a) The attention of the Honourable Member is invited to the reply given by me on the 23rd February, 1932, to part (a) of Mr. S. C. Mitra's unstarred question No. 90.

(b) and (c). As stated by me on the 20th November, 1932, in reply to part (b) of Mr. Muhammad Anwar-ul-Azim's starred question No. 1514, the matter has not been pursued owing to unfavourable financial conditions.

NON-CLEARANCE OF A LETTER BOX AT JULLUNDUR.

57. **Mr. M. Maswood Ahmad:** (a) Is it a fact that a letter box at Jullundur was not cleared for several years?

(b) Is it a fact that the fact of non-clearance of the box was the subject of complaints from the public?

(c) Is it a fact that the clearance of letter boxes is required to be tested by Town Inspectors?

(d) Will Government be pleased to state the particulars of the Town Inspector responsible for this serious dereliction of duty?

(e) Is it a fact that the same Town Inspector was once declared unfit for the job?

(f) If replies to the above be in the affirmative, will Government be pleased to state the action taken in the case and the steps taken or proposed to be taken to remove the official from the post?

Sir Thomas Ryan: The required information is being obtained and will be laid on the table of the House in due course.

RETRENCHMENT OF POSTMEN IN JULLUNDUR CITY.

58. **Mr. M. Maswood Ahmad:** (a) Is it a fact that a postman of Jullundur City with less than ten years' service has been retrenched, retaining postmen with over 25 years' service?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to state the particulars?

(c) Will Government be pleased to state whether the orders of the Postmaster General to post more Muslim clerks to Jullundur City have been carried out? If not, what action do Government propose to take in the matter?

The Honourable Sir Frank Noyce: (a) and (b). Government have no information. If any official has a grievance, it is open to him to represent it to the proper authority through the usual channel.

(c) Government have no information, but in any case, it is for the Postmaster-General to see that his orders are carried out and Government do not propose to take any action.

COMMUNAL COMPOSITION OF PERSONS EXAMINED FOR APPOINTMENT AS LOWER DIVISION CLERKS BY CERTAIN POSTAL OFFICIALS OF DELHI AND LAHORE.

59. **Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state the total number of (i) Hindus, (ii) Muslims, and (iii) Sikhs, examined for the appointments of Lower Division clerkship by (a) Postmaster, Lahore, (b) Superintendent, Railway Mail Service, Lahore, (c) Postmaster, Delhi, and (d) Superintendent, Railway Mail Service, Delhi, through a Board of Examiners?

(b) Will Government be pleased to state the total number of (i) Hindus, (ii) Muslims, and (iii) Sikhs, declared successful out of the candidates referred to in (a) above?

1464

LEGISLATIVE ASSEMBLY.

[2ND MARCH 1933.]

(c) Is it a fact that according to the orders of the Director General, the third vacancies must necessarily be filled up by members of the minority communities and if there be no such candidates on the waiting lists, recruitment should be made forthwith from the minority communities?

(d) Will Government be pleased to state whether the action alluded to in part (c) above has been taken in the groups referred to in part (a) above?

The Honourable Sir Frank Noyce: (a), (b) and (d). Information has been called for and will be placed on the table in due course.

(c) The fact is substantially as stated by the Honourable Member.

THE GENERAL BUDGET—GENERAL DISCUSSION.

Mr. Chairman (Sir Hari Singh Gour): Order, order. The House will now proceed to the general discussion of the Budget. I propose to fix a time limit of 20 minutes for each speech.

Sir Leslie Hudson (Bombay: European): Sir, first of all, may I be allowed to respectfully congratulate the Honourable the Finance Member on the most clear and lucid speech which he made in introducing his Budget and on the very thorough manner in which he explained to this House various points in the Budget.

Honourable Members may have noticed that whilst on Tuesday morning a somewhat cold and bitter wind was blowing, in the afternoon, by the time the Honourable the Finance Member had commenced his speech, this had faded to a balmy zephyr, and, as the Honourable Member proceeded with his speech, I hoped that this would prove to be an augury of a more sympathetic attitude towards the poor taxpayer in India groaning under his burden. This hope, however, was dispelled when that portion of the Honourable Member's speech was reached where he stated that there was to be no remission of taxation in the present Budget. Sir, it was an almost obvious mind picture that occurred to me when I mentally saw the poor shorn lambs, both the black sheep and white sheep,

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): And the brown.

Sir Leslie Hudson: shorn very close to the skin, still condemned to shiver in the biting blast and with no tempering of the wind of overwhelming taxation for a further indefinite period. Whilst I heartily congratulate the Honourable the Finance Member on the masterly handling by his Department of the finance at his disposal during the year, with the very happy result which we see in an equilibrated Budget, in a very appreciable reduction in debt charges and in an enhancement of the credit of India which must be the envy of other countries, I must confess to very great disappointment at the absence of any relief to the taxpayer.

There are several headings in the Honourable Member's speech under which I desire to pass criticism on the policy of the Government, and I hope it will be found that those criticisms are in the main constructive and not destructive. At a time like the present when all of us are engaged in a struggle almost for life or death,—and this is certainly so in the case of the masses of India,—destructive criticism helps no one,—certainly not those who indulge in it.

The first point is in connection with the Honourable the Finance Member's implicit belief, which he has now emphasised for two years in succession, in what he has described as the extraordinary power of resistance which India has shown, in spite of diminishing purchasing power, in maintaining the consumption of certain standard necessities of the masses. Much as I should like to think that this is the case, I fear there is little room for complacency in this matter, and that the reverse state of affairs may be actually the position. Evidence goes to show that the agriculturist who forms the bulk of these masses continues to battle grimly for his existence, constantly struggling with a hopelessly low level of commodity prices. In some districts he has been forced to sell his cattle and to pawn his ornaments to keep his head above water. ("Hear, hear" from the Nationalist Benches.) Those particular districts that I am referring to are in Sind, and I have received a reliable report from the other side of India from the jute and rice growing districts of East Bengal

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): You might add Madras also.

Sir Leslie Hudson: It states that the floods in 1931 greatly increased the ryots' indebtedness, and, although there were good crops in 1932, that prices were at such a low level that it was impossible for him to liquidate his debts. To provide sufficient for their actual needs, the people had to sell such articles as brass utensils and galvanized iron sheeting which had obviously formed part of their household goods and of their houses. There seems to have been two distinct stages in the struggle of the past two years: the first in which all articles of gold and jewellery were converted into cash, and the second where articles of lesser value, but somewhat in the nature of luxuries, so far as these poor people are concerned, were exchanged for cheaper goods, brass and aluminium vessels being exchanged for earthen ware. The third and what may be considered the final stage before acute distress in visible is now being experienced, where people are obliged to actually break up their houses and to sell the surplus wood and metal, these being the only articles of a marketable value left to them over and above their absolute necessities. I do not say that this state of affairs exists all over the country, but it certainly has a bearing on the statement of the Honourable the Finance Member in regard to the export of gold which is the point I now come to. Admittedly it has been the export of gold which has enabled India to weather the worst effects of the economic storm so far, but I am unable to agree altogether with the Honourable Member that the export of gold, so far as the original seller is concerned, has been merely a conversion from one form of investment to another, at least not to the extent which the Honourable Member maintains. Surely the apparent maintenance of the consumption of necessities is partly, if not largely, due to the increase in population. There seems to me no

1466

LEGISLATIVE ASSEMBLY.

[2ND MARCH 1933.]

[Sir Leslie Hudson.]

doubt that a very large percentage of this export of gold represents the forced selling of capital resources to provide for the ordinary every day necessities of life. That the middleman reaps a very handsome profit I do not deny and it is probably the investments of those middlemen that go to swell the receipts in the post office cash certificates and so forth.

Then I hope that the Honourable Member has not painted in too roseate a colour his picture of India's trade figures. Our exports are made up of commodities and, under present conditions of gold, and, also under present conditions, gold itself has become a commodity and it no longer bears the label which we used to attach to it of a precious metal. The Honourable Member has stated that he is unable to interfere with the export of gold and that he would hesitate to take any steps which would restrict the right of the individual to do as he pleases with his own possessions. That is quite correct, but I would ask him in that case why he is so disinclined to move in the direction of a small export tax on gold which there is every reason to believe would prove a great benefit to the exchequer. (Hear, hear.) Such an imposition during the past months, when, as we read, no less than 107 crores worth of gold have left the country, would have provided the wherewithal to restore the whole of the cut in the pay of the Services and would have gone a long way to provide relief to the ordinary taxpayer. There is little or no fear that such a tax would interfere or materially affect the export of gold and, even if that fear did exist, the tax could be made to vary with the amount of the premium so that it would really act as an excess profits duty or tax on gold. The next point I wish to touch upon is the restoration of the moiety of the services cut and the application to them of the income-tax surcharge. I may say at once that the latter part of this double operation has removed to a very large extent the feeling of irritation which undoubtedly previously existed in circles other than those of the services. Discrimination in the matter of the incidence of tax in favour of any section of the people ought never to have been permitted. I would ask the Honourable Member whether he cannot visualize the feeling engendered amongst a very large number of salaried men in civil employ, the bulk of them engaged under contract, as are those of the Services, who have had to submit to cuts far exceeding ten per cent, indeed amounting in some instances to 50 per cent, and more and who have had to forego their increments and have still had to bear that heavy burden to which the Honourable Member referred in his speech. I would have welcomed a word of sympathy for that very numerous class of His Majesty's subjects in India, Indian as well as European, to have been added to what sounded very much like an apology to the Service members. The sanctity of contract has had, in this great national emergency, to be broken by employers other than the Government and some commendation is surely due for the courage with which the victims have met that emergency.

As I have said, very many employees in civil employ have had to forego their yearly or biennial increments and there I refer again to Indian employees as well as European.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban). Many of them have been sent back to England without a job.

Sir Leslie Hudson: That is so. They have had to forego their yearly or biennial increments and I think that it should be a further step in the direction of retrenchment by Government that scale increments should be deferred.

I said at the beginning of my remarks I would endeavour to be constructive. I would, therefore, suggest that as the Honourable Member promised us in his speech that Government's efforts should be directed to keep down expenditure with a view to helping to reach that much desired goal of a substantial reduction in income taxation, and here I should like to bear testimony to the very thorough and effective manner in which all Departments of Government, both Civil and Military, have tackled the distasteful process of retrenchment and for which they are entitled to an expression of our sincere appreciation, and I will only reiterate the necessity for not only constant vigilance that expenditure shall not creep up again, but for investigation into possibilities of further cutting of the country's coat according to its cloth. Is there not a possibility of still further reduction in military expenditure without loss of efficiency, as, for instance, in mechanisation which, as I have heard it stated, has yet to be proved an economy. Again, in this connection there is a question of introducing new scales of pay for new entrants into the services. This, I understand, has been under consideration by Government for months and it is, I think, most necessary that Government should declare its policy, a declaration which is long overdue.

I was glad to see the note of warning sounded by the Honourable the Finance Member to those people who are at present putting their capital into the newly erected sugar factories and to repeat what he said in regard to the surcharge on the import duty, to which further extent factories in India are at present benefitting, namely, that that amount of additional protection was not visualized by the Tariff Board and I infer from that that he considers that it would be logical for Government to impose that difference as an excise on sugar manufactured in this country. Now, Sir, none of us like excises in any form. But I think most people, looking at it impartially, would agree with the Honourable the Finance Member.

There is just one statement in the Honourable Member's speech to which I shall now take a somewhat strong exception and that is his reference to motor cars as luxuries. Surely, Sir, in this year of grace it cannot seriously be urged that motor cars are luxuries. They are, most definitely, necessities, certainly in this salubrious spot of New Delhi. Now-a-days they are no more luxuries than are telephones, and I would strongly urge the Honourable Member to lend his ear to the insistent demands that the import duty on motor vehicles should be reduced. The Honourable Member and this Honourable House are well aware of the arguments that any reduction of duty on motor vehicles will be more than made up in other directions, and this view is strongly held by people with experience other than those in that otherwise most efficient Department which is responsible for the supply of statistics to the Honourable Member.

Three other matters arising out of the Honourable Member's speech and I shall have exhausted the criticisms I have to make at the present time thereon. The first and a small one is to the remark that the reimpost of the stamp duty on cheques is going to be another tax on trade,—and trade, Sir, seems to be singled out for more taxation than anything else now-a-days. The next is as to the declared policy, as

[Sir Leslie Hudson.]

I read it, of the Government not to take advantage of the present era of cheap money, which the Honourable Member told us he expects to last for some time yet, and to borrow for works and material, which may confidently be expected to be productive. Sir, there are persistent rumours that the railways are in need of rolling stock, that if a rush of traffic were, happily, to come, there would not be wagons enough to cope with it, and that there would not be engines, rusty or otherwise, sufficient to haul them. Let Government spend wisely and not with a niggard hand and give that impulse to industry in this country which it so much requires. The last matter I wish to refer to, Sir, is the vexed question of the export tax on hides. I am aware that interests throughout India are not identical, but I have received information recently from Karachi that the price at which Indian hides can be sold at Hamburg is, by just the amount of the export duty or tax higher than the price at which similar goods from the Argentine and from Abyssinia can be sold there. Sir, the amount realized from the tax is small, and I would suggest to the Honourable the Finance Member that as exports from this country are so vitally necessary for her prosperity, the early remission of this duty should be considered. It would appear to be quite as important to this country as the production of cinema films for educational purposes.

Before I sit down, I should like to make a reference to the final paragraph of the Honourable Member's speech. I refer to that passage where he refers to this occasion being the last Budget of his five-year term. Sir, I think I am voicing the thoughts of every Honourable Member in this House and of a vast number of people outside this House when I express the sincere hope that Sir George Schuster will be in the same seat this time next year, giving this country the benefit of his wide knowledge of finance. (Loud Applause.) I will go further and say that we hope that his genius for finance will continue to assist the Government of India to face the world with a balanced Budget and to stand, as he himself has so well said, buttressed against all the storms that may blow. (Loud and Prolonged Cheers.)

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I join with the previous speaker, Sir Leslie Hudson, in congratulating the Honourable the Finance Member on the lucid and honest exposition of his case, and I also congratulate my Honourable friend, Sir Leslie Hudson, on the splendid speech he delivered (Loud Applause)—the best speech delivered by his Group on the General Budget. Sir, we have just finished the Railway Budget and in connection with that we said clearly that during the last two years we really had a deficit of 71 crores. We took away from the Depreciation Fund 13.59 crores, from the Reserve Fund 4.95 crores, from non-payment of debt to the general revenues 10.58 crores, and then we incurred further loans of 42.22, being the difference in Capital at charge in 1931 and 1933, making 71 crores altogether. Now, coming to the General Budget, I find that the position is not much more rosy than it is in the case of the Railway Budget. The Honourable the Finance Member discussed the general question from two points of view—that of public finance and of private investors. I would take a third view, that is of the country as a whole and I find that from that standpoint we really are losers.

Now, he said in his speech that during the last ten months we had imports amounting to Rs. 112.25 crores and exports worth Rs. 110 crores. Now, taking the 38 crores which we have to pay for customs duties, 50 crores for external obligations, we have really to incur an expenditure of Rs. 200 crores. These 200 crores may be made up in two ways, (1) by the export of gold and (2) by the export of goods. Now, out of these, 110 crores are met by export of merchandise and 90 crores have had to be met by the export of gold. Here we have created a vicious circle. First, we have a large amount of import of merchandise and we export our gold to pay for it. We go on exporting gold in large quantities to foreign countries, and they pay us for the price of that gold in the shape of goods and it goes on. In fact, as Sir Leslie Hudson said, gold has ceased to be treasure. It has become a commodity. You go on increasing the export of gold, and the balance of trade of other merchandise will continue to be against us. Increase export of gold, import of merchandise will increase. Foreign countries pay for gold in the shape of goods. This becomes particularly vicious, as Sir Leslie Hudson pointed out, when we find that the amount realized by the sale of gold is not spent on investments, but a major portion of it is spent in paying land revenue to the Government and in providing the bare necessities of life.

Now, I come to the figures of the last 15 months since England went off the gold standard. The Honourable the Finance Member said that we have exported gold worth 107.08 crores and there was a balance of trade of 20 crores during these 15 months and these total 127 crores. Out of the latter, Government got 93 crores. May I ask, in what way these 93 crores were spent? They can be said to have been spent usefully, if they are spent in one of the four ways. The first is lightening the burden of taxation. Here my Honourable friend, Sir Leslie Hudson, pointed out—and I ask the Honourable the Finance Member whether he ever dreamt in his life—that the burden of taxation might be lightened. Can he quote a single instance in his tenure of office that he came forward with a proposal that taxation should be lightened? Sir, in every Finance Bill that we have been having year after year, there has been gradual rises in the burden and level of taxation and there has never been any suggestion of diminution. The burden of taxation is very heavy; we find that Government are realizing customs duties in these days of slumps just as much as they realized during the period of boom. The burden of taxation may be judged from the fact that the Government collected 51.28 crores in customs on an import of about 250 crores worth merchandise and this year they collected 52.29 or one crore more on an import of half the value, or, in other words, the burden of customs is doubled since the Honourable the Finance Member took charge of his office. Now, the second way the income could be usefully spent for the benefit of the country is by helping the country's industries. Can the Honourable the Finance Member tell us the portion of these 93 crores that he spent in helping Indian industries? We find that the South African Government spent 1½ million sterling to help their own industries and not a single penny was spent out of these 93 crores to help our industries in this country, though we know that a large number of industries are now starving, and may altogether be wiped off. Tea is the most conspicuous of such industries. We were expected to get a preference of two crores on tea under the Ottawa Agreement, but at present it is hardly hit.

The third way in which it could be usefully spent was to transfer the sterling loan into the rupee loan. Here we find that during the last

[Dr. Ziauddin Ahmad.]

year the rupee loan has diminished from 707 crores to 705 crores, and the sterling loan has increased from 506 to 507 crores. I thought that this export of gold would be utilised to transfer the sterling loan to rupee loan in order to reduce our external obligations, and to increase the amount of income-tax. The fourth thing which could have been usefully done was reducing the amount of debt, because if the debt is diminished the interest charges will be diminished and we may have some hope of lightening the burden of taxation which at present is very heavy.

The next point to which I should like to draw the attention of the Finance Member during the few minutes at my disposal is his own speech at the Ottawa Conference, and the Resolutions passed in connection with his suggestions. One of the Resolutions said, and it is also mentioned in his speech:

"A rise throughout the world in the general level of wholesale prices is in the highest degree desirable. The evil of fall in prices must be checked by Government and individual action in all its causes, whether political, economic, financial or monetary."

May I ask what steps, since he returned from Ottawa, he took in order to raise and then to stabilise the price level of the commodities. He has got a gold standard reserve of 40 million pounds to stabilise the exchange. Is it not desirable to reserve some money out of the earnings of 93 crores or otherwise, and utilise it for stabilising prices?

The next thing to which I should like to refer is the paper currency reserve. We have got 194.74 crores of notes in circulation and the currency reserve is in four different forms. We have gold bullion valuing 25.61 crores,—that is perfectly right. Silver bullion is 14.14 crores,—that also cannot be objected to. Then securities in Treasury Bonds are worth 39.24 crores. This is not a very nice form of security, it is really not a reserve, but putting your own pro-note in place of your reserve; but I don't seriously object to it. The fourth security is silver rupees of the value of 95.72 crores. Silver coins are token coins. The value of silver in a rupee is less than seven annas. Therefore silver coins of 95.72 crores should not be counted on their face value, but should be counted equivalent to the price of silver in these particular coins. Therefore it is desirable that this method of calculation should be changed. In fact we should have Rupee Currency reserve, as rupee is a token coin printed not on paper, but on silver. To keep token coin of one kind as currency reserve for token coin of another kind is great economical mistake.

The next thing to which I should like to draw attention is the question of the economic survey. My distinguished friend, Sir George Schuster, referred to it, in the last Economic Conference. I hope that he will push this thing vigorously, and it is essential that we should have a thorough economic survey of all the districts. Perhaps he may select one particular district as a test, in which the prices of particular commodities may be noted from week to week, the total production in that particular district may be obtained, and then the import and export from that district to places outside the district may also be mentioned. Then we will find the causes of the variation of prices—the collection of these facts will throw a very illuminating light on the whole problem. In this connection, I may also say that the case of companies, the portion of the shares of which are held by particular communities, Indians, Europeans, etc., may

also be noted. One illuminating factor which will come out of this economic survey would be the movement in prices of wheat. Wheat was sold at harvest time at 23 seers a rupee, but on account of certain action which we ourselves have taken on account of the Wheat Import Duty Act, the prices after two or three months rose and it is now sold at 12 or even 10 seers for a rupee. The whole of this profit goes to the middleman; it does not go to the primary producers, the agriculturists and landlords. Therefore, it is very desirable that some kind of machinery should be provided for this purpose, and I am sure that the economic survey which the Honourable the Finance Member had suggested will produce very good results which will find out the causes of abnormal changes in the price level at the harvest time and at other times of the year. Of course there will be some difference in the two prices, but it should not be so abnormal as it is at present.

The next thing to which I should like to draw the attention of the Finance Member, is that, before he leaves India, he should give some attention to the question of Railway finances. Railways are very important to us, because they contribute to us a sum of over five crores of rupees every year, but during the last three years they have not been able to contribute a single penny. Therefore in the interest of improving our own finances, in the interest of reducing our taxation, it is desirable that we should put the finances of the Railways on a sound footing so that they may become a solvent debtor to our general finances, and this to my mind can only be done if we separate their finances from our general finances altogether. At present the loans are pooled together and two-thirds of it belong to the Railway and one-third to other Departments of the Administration. I am convinced that if the Railways begin to borrow money on their own credit, guaranteeing a certain rate of interest and promising participation in profits, they would be able to get money more easily and on better terms than the Government of India can do. No doubt the Government of India have got very great credit at present and I do not know whether the same credit would continue to exist in the case of the Federal Assembly when the power of taxation will not be as wide as it is at present.

I will now draw attention to one case which I will call an omission, and that is the question of import duty on sugar and candy. Candy is really a concentrated form of sugar in which the percentage of saccharine is a little higher. Here in our Tariff Act both are classed under the same head. Out of 114 cwt. of sugar we really make only 100 cwt. of candy. Therefore in order to have 100 pounds of candy we really want 114 pounds of sugar. At the time we passed the Tariff Amendment Act in 1931, Japan had not come into the field, but Japan soon realised the weakness of our Import Duty Act in this direction and she has now begun to make candy in her own colonies, and import into this country. And instead of importing sugar, she is now trying to import candy so that for 100 cwt. of candy which they have to import into this country, instead of paying an import duty on 114 cwt., she pays duty only on 100 cwt. If you take the total, then the amount of loss to Government comes to about 35 lakhs. In addition to this thing, there are two other points which may be taken into consideration. The Honourable Member said in his Budget speech that the import duty on sugar was 161 per cent. of its price. Now the price at which he calculated is Rs. 5-4-0. The prices have recently changed. If you take

12 Noon.

[Dr. Ziauddin Ahmad.]

the present price of Rs. 5, the duty comes to about 181 times. In the case of candy the position changes, because the price of candy is Rs. 5-7-0 per cwt. over and above the price of sugar. So, if you included this particular sum, then you will have to add a substantial amount of import duty on candy, and the third point to be considered is that this particular industry finds employment for a large number of Indians and this particular employment will now be transferred from India to Japanese Colonies and we will certainly be losers. For these considerations I request that this question may now be considered, and a higher rate of duty on candy should be fixed. The second point which was overlooked was also the question of molasses. In this particular case the duty is the same as it used to be in the old days, namely, 25 per cent. *ad valorem* and having a surcharge of 25 per cent. it is 31½ per cent. and the result is we find that the import of molasses has increased from 26·7 tons to 29·5 thousand tons during the last nine months of the present year, and the molasses are found in very large quantities in this country for which we have no use. It is really made in the process of preparing sugar and such a large quantity is present in the country that we do not know how to make use of it. Therefore it is desirable to raise the import duty on it.

Reference was made by Sir Leslie Hudson to the case of hides and skin. I may be permitted to add a few points to this particular problem. Government decided in 1927 to remove this duty altogether, but the Government lost, by the casting vote of the President, on that occasion. No attention was paid to it when the Government had clear majority on every question.

Now, the export trade has fallen enormously as is given in the figures here. The income from this head has fallen from 25·49 lakhs in the year 1929, to only 14 lakhs in the present year, and the estimate is also about 14 lakhs in the coming year. But this estimate of even 14 lakhs is really too much, because the Calcutta Hides and Skin Shippers Association say:

"The Committee feels that by retarding action in removing export duty any longer, total export trade imperilled, and if forced to continue Duty until July, trade may cease entirely."

This is the opinion of persons who understand business. This fall is not due to the general world conditions. Of course about the world conditions, there is a humorous article in the *Finance* and any one who is interested may refer to its last issue. In this particular case, it is not to the world depression, because we have got the figures of the import of hides and skins in Hamburg and we find that they have practically got the same amount imported in the year 1931, as they had in 1912. So the amount of imported hides and skin in Hamburg is practically the same year after year. What happens is that the trade has gone from India on account of the export duty to other countries which are more fortunately placed, and where the obstruction of import duties does not exist. May I point out that in the case of South Africa, the Government had given bounty up to £39,000 out of 1½ millions to the hides and skin trade to help them in their export. But, instead of helping them out of the 93 crores which we have pocketed on account of the export of gold, we continue to charge

export duty of 5 per cent. *ad valorem*. I would have certainly recommended that instead of having an export duty of five per cent. on these hides and skins we ought to have given them a bounty in order that the trade might flourish. Sir, my time is up.

Lala Rameshwar Prasad Bagla (Cities of the United Provinces: Non-Muhammadan Urban): Mr. Chairman, I very much wish that the noble aspirations of my Honourable friend, Sir George Schuster, to which he gave expression at the time of his 1st budgetary plan in the year 1929, in these words:

"If I have an ambition, it is this, that whether we encounter bad seasons or good, you should be able to say of me when my work is done that I served your country at least to the utmost of my powers and that in all that I did my main thought was for the interest of the people of India."

should have been so clearly proved to the people of this country, that his name would have been written by the Indian historians in letters of gold and remembered by posterities. But permit, me, Sir, to say that our expectations which were based on the above-mentioned noble sentiments have not been fulfilled.

Sir, it will be no exaggeration to say that his main interest has been the Government servants, and not the people or the public of India. Is it not a well known truth that none, whether a Government or an individual, would pay the servants to their satisfaction when the purse does not allow. Just as the cut in the salaries was an emergency measure, so was the income-tax and the surcharge. If it was thought fair and proper to fulfil the promise to the employees, it was more necessary to satisfy the crying need of those who pay Government to keep the servants, and for whose safety and work those servants are kept. Sir, without fear of any contradiction, I can say that people are being crushed under the heavy income-tax and super-tax, particularly those whose income is more than one thousand and less than two thousand. I feel, Sir, that the first relaxation that the Government ought to have made must have been in the case of postal stamp which is hitting even the poorest very hard. Knowing as everybody does, that when the income of poor agriculturists has decreased to the pre-war level, was it not incumbent on the Government to put a postcard to the same level as it is an indispensable necessity of even the poor? Consider the case of a labourer who earns three annas a day and has four or five dependants, if he has to buy a post card,—the question of an envelope is absolutely even beyond his power of imagination,—he has to part with one-fourth of his that day's wage, which means at least one of the dependants complete starvation. Can it be said that the restoration in the salaries of servants, even those who are most lowly paid was more necessary than affording the poor an opportunity to avail of a post-card without sacrificing a meal?

Sir, I would quote the wise opinion of Lord Horbart, Governor of Madras, which he submitted to the then Governor General. He wrote:

"If I have no surplus to reduce taxation, I will make one by reducing expenditure. Popular content is better than public works."

Had these salient remarks been rightly understood and followed, much of the discontent and political unrest being evidenced in the country today would not have been there. Sir, on the contrary, a stamp duty on the cheques has been re-imposed. It is very amazing that on the one hand the Honourable the Finance Member wants to encourage banking habit in the

[Lala Rameshwar Prasad Bagla.]

people so that he may inobilize the economic power of the country, and, on the other hand, he takes such a retrograde step which will discourage even those, who had felt encouraged, a bit. Could not these Provincial Governments arrange to raise the petty sum of seven lakhs which they are expecting to get thereby?

Sir, adverting to the condition of the class of people out of which I come, I say that in no way our troubles have been paid any heed to by the Government. The cotton piece-goods industry, including the hosiery, which is in the imminent danger of totally collapsing, has not been given adequate protection which it was the duty of the Government to do so.

Sir, coming to the long-felt need of economy in the Army expenditure, all the emphasis, entreaties and advices of the highest and the ablest in the country both in this House and outside for cutting the military expenditure have been like flogging a dead horse. It has been admitted that a part of the Army in India has been reserved to maintain the supremacy of the British Empire in the East, and so, it is only proper that a part of the expenditure should be borne by the British Exchequer resulting in the decrease in Army expenditure—a great relief to this unfortunate country. This fact was pointed out in the Welby Commission minority report, and a recommendation for defraying a part of the Army expenditure by the Home Government was made, but nothing has been done yet in that respect. It is quite clear that the income of the bulk of Indians has been reduced to the pre-war level. How can it then be possible to maintain the top-heavy administration which had gone very high during the war? I would point out to the Honourable Member that the coming of the new Federal constitution for India would be unworkable so long this heavy military expenditure continues and, in order to see the constitution smoothly worked, he should curtail military expenses to a considerable extent.

Sir, in the end, I would, through you, urge the Honourable the Finance Member that he should not let the Indians feel that all the loud talks of Finance Members, including himself, were meaningless, and although they posed to be well-wishers of this country, in reality they were doing everything in the interest of their own nation at the cost of helpless people like us. Still there is time for him to do something. The vast quantities of gold that are being exported from India is undoubtedly injurious to India and my Honourable friend, the Finance Member, should have certain amount of regard to the wishes of the people and employ means to prevent exportation.

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): Sir, I crave the indulgence of the House and your indulgence also for being allowed to make a few remarks about my unhappy province of Ajmer-Merwara as the Budget of that province is part of this Budget; and long before the stage is reached, when that budget can be considered the guillotine is set up, and during the last ten years that I have been in this Assembly, I have never seen an occasion when the Budget of that province was ever considered.

Ajmer-Merwara is at present a non-regulation province. In all amenities of civilisation, in culture, in point of literacy, in its freedom from crime, in its loyalty, in all these matters my Province stands second to none in India. But such are the traditions of administration that Ajmer-Merwara is treated not only with scant courtesy, but with great

injustice and unfairness. The benefit of the reforms has been given to almost every Province of India except Ajmer-Merwara. Even Coorg, which is half the size of my Province, with one-third of its population, has got a local Legislative Council. But the laws and regulations for my Province are made by the Government of India without the people having the slightest voice in framing them. I, therefore, request that, considering all the circumstances of the case, the time has now come when in the coming reforms the Government of India should include Ajmer-Merwara, and give that Province the full benefit of the reformed constitution, which they are going to give to other provinces.

It has been urged that Ajmer-Merwara is too small a Province to have a separate Legislature. Coorg is a smaller one still. There is no reason then why Ajmer-Merwara should not have one. But if, by any chance, the Government of India think that it is impossible for them to give a reformed constitution to my Province, and to give us a Legislature, I request that it may be amalgamated with the United Provinces of which it formed part for fifty years, from 1818 when it was first acquired by the Government from Scindia till 1871. During that period, it was a part of the United Provinces; and when there were no facilities for locomotion and railways, telegraphs and telephones did not exist, it was properly administered. There is no reason why the United Provinces cannot now administer that province as part of its territories, if it is tacked on to the United Provinces. I have discussed this matter with the head of the Local Government of Ajmer-Merwara, and Colonel Ogilvie, who is a sympathetic officer, told me that he did not see any reason why Ajmer-Merwara should not have the full benefit of the reformed constitution. He said he was quite willing that a Legislative Council for making local laws and regulations should be established in Ajmer-Merwara and that he was quite willing that this should be done. It is now for the Government of India to accept the request of the public and give Ajmer-Merwara a small Legislative Council: or, failing that, amalgamate it with the United Provinces, which will satisfy the people of Ajmer-Merwara.

It has been sometimes said that Ajmer-Merwara is a deficit Province. That is not true. I have shown more than once in my speeches during the Budget Discussion that Ajmer-Merwara is not a deficit Province; and if properly administered and the top-heavy administration is reduced as it ought to be, or if it is amalgamated with the major Province of the United Provinces, Ajmer-Merwara will become a surplus Province in every sense of the term. Even if there is a little more expenditure incurred because of the establishment of a Local Legislative Council, that might be met in many ways. For instance, the Commissioner of Ajmer-Merwara has to devote a lot of his time now to the Deoli Detention Camp. I live in Ajmer and I see how much work is involved in that. All that is done for the sake of another Province is done at the expense of Ajmer-Merwara. If the Bengal Government should be made to contribute something towards the expenses of supervision to Ajmer-Merwara, that could easily be employed in establishing a Council.

Owing to the conditions under which Ajmer-Merwara exists very little attention is paid to the education of the people there. In 1921 it was second in point of literacy in the whole of India. Now, it is receding from that position and it is falling behind other Provinces, because the people have no voice in the Budget. I am a solitary Member from that constituency and, so far as the Government of India are concerned, my voice is a cry

[Diwan Bahadur Harbilas Sarda.]

in the wilderness. I, therefore, request that in justice to that Province, with a view to give proper facilities for education and for the sanitary and medical requirements of that Province, Ajmer-Merwara should be made a regulation Province and should have the benefit of the reforms under which the people will have the same voice in its administration as people of other Provinces.

As regards the General Budget, I have not much to say at present as I have taken up a lot of time with regard to the discussion about my Province. I would appeal to the Honourable the Finance Member to take a very generous view of certain things. For instance the duty on cheques which is a very generous view of certain things. For instance the duty on cheques which he proposes to levy is a very unnecessary measure. I think it is a mistake to make all cheques dutiable. The one anna duty on cheques was abolished some years back; and the time has not yet come when the habit of using Banks becomes strong in the country; when that time comes he can put the duty; but now I earnestly request him to reconsider his decision. Another matter about which I shall say a word at present is that he must consider the question of reducing the postage on letters and post cards, particularly post cards. I have reason to believe, and I have personal knowledge of the fact that the poor people in the country and in the mufassil are very anxious that this burden, which is undeserved should be taken off at once. At present I shall say nothing more about other matters.

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): Sir, I congratulate the Chair for giving me an opportunity today to speak on the Budget. You know, Sir, that when every year the Budget is presented, two days are allotted for the general discussion, and there are always a number of speakers anxious to speak on the general discussion, and I could not get much opportunity to speak before. Today I want to confine myself to one subject only, and that is with regard to the Postal Department. Now, Sir, I have got in my hand facts and figures which will speak for themselves, and they will show the amount of jobbery that is going on in estimating the Budget of the Postal Department. I would ask Honourable Members of this House to give me a patient hearing and listen to my speech with some attention so that they can see how much jugglery is going on...

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Give us a speech in a song.

Mr. D. K. Lahiri Chaudhury: Thank you. As he has heard my songs in the Western Hostel, I invite him to my place again and I will give him the best songs I can give.

An Honourable Member: Is it a general invitation?

Mr. D. K. Lahiri Chaudhury: It is a general invitation.

Sir, the Budget estimated for the year 1933-34 shows that in the Indian Posts and Telegraphs Department, there will be a loss of Rs. 57,20,000 on the following heads:

	Rs.
Post Offices	22,02,000
Telegraphs	30,51,000
Radio	5,02,000

But, in the Telephone Branch there will be a profit to the extent of Rs. 25,000 only.

Expected income of the Department during the year is Rs. 10,81,34,000 as following:

	Rs.
Postage and Message Revenue	8,23,02,000
Miscellaneous Revenues	2,58,32,000

Of the total income on account of Postage and Message Revenue Rs. 6,19,07,000 have been allotted to the Post Office while Rs. 2,02,55,000 to Telegraph and Rs. 1,40,000 to Radios.

Mr. B. Das (Orissa Division: Non-Muhammadan): On a point of order, Sir. While Honourable Members are discussing the postal revenue, the Director General of Posts and Telegraphs is not here.

An Honourable Member: Is that necessary?

Sir Muhammad Yakub: Is that a point of order?

Mr. Chairman (Sir Hari Singh Gour): Order, order. Mr. Lahiri Chaudhury.

Mr. D. K. Lahiri Chaudhury: This distribution is not based on any calculation, but on mere assumption. This is undoubtedly a very defective system. I suggest that in future the value return should be kept on all booked telegrams which will show actual income on telegraph side.

I am glad the Honourable Member in charge has come. The most striking features of the Budget are big jumps in the head 'Provision for Depreciation and Interest on Capital Outlay'. Here I may point out that in my school days I learnt the dictum that there were three kinds of lies, —white lies, black lies and statistics, and all these I find in the Budget of the Postal Department. Provision for depreciation in the year under review is Rs. 45,27,000 against Rs. 22,94,000 in the year 1932-33, i.e., a net increase of Rs. 22,33,000. Similarly, the interest on capital outlay has been charged to Rs. 87,61,000 against Rs. 81,38,000 in the year 1932-33, i.e., a net increase of Rs. 6,23,000. By adding both these two items, the amount will come up to Rs. 28,56,000. I am in a fix to know on what basis this calculation is made. In the year 1930-31, provision for depreciation was Rs. 35,19,000 and in the year 1931-32 the amount was Rs. 25,36,000, i.e., less than the year 1930-31; this amount was further reduced in the year 1932-33. Similarly, in the year 1930-31, the interest on capital outlay was Rs. 72,29,000 against Rs. 86,35,000 in the year 1931-32. This amount was reduced to Rs. 81,38,000 in the year 1932-33, but it has again been increased to Rs. 87,61,000. If the provision for these two items be on the increase in this way, after the next three years we should be faced with a deficit of more than one crore of rupees.

Such heavy charges on the Budget in the Depreciation Fund, drew the attention of the Public Accounts Committee more than once. In course of evidence before the Public Accounts Committee on the 13th August, 1929, the Chairman admitted that in many cases the depreciation allowances have been calculated on rather too high a figure. The whole matter was reviewed by the Accounts Enquiry Committee, presided over by our Honourable friend, Sir Cowasji Jehangir; they recommended an increase in the normal effective life of all classes of assets. On this consideration the provision for this item was reduced in the year 1932-33.

[Mr. D. K. Lahiri Chaudhury.]

There is another point which I wish to mention. Here I want to point out how the Depreciation Fund was calculated formerly and how it has been calculated by the Inquiry Committee of the Postal and Telegraph Department which was presided over by my esteemed friend, Sir Cowasji Jehangir. Formerly, the life of telegraph posts was 30 years, and now the Committee found that the normal effective life was 45 years; copper wire, former nominal effective life was 27 years, and now the Committee recommendation is 40 years; similarly, normal effective life of iron wire was 24 years, and now, as fixed by the Committee, it is 36 years. Then, again, submarine cable, former normal effective life was 12 years and now it is 20 years as fixed by the Committee. Similar is the case with regard to engines, motors, etc. Under Telephones, normal effective life of posts was 30 years before, and now, as fixed by the Committee, it is 45 years; iron wire 10½ years and now it is 15 years as fixed by the Committee. Underground cable, it was 24 years formerly, and now it is 36 years, as fixed by the Committee. If we go into all these figures, we find that all these things can stand for almost double the time.

There is another point I wish to mention which is Civil Department share of ordinary and unified stamps. In the year 1930-31, the actual sale of ordinary stamps was Rs. 7,32,77,939, out of which Rs. 47,87,300 was paid on Civil Department share of ordinary and unified stamps, but in the year 1931-32 the income dropped to Rs. 7,18,83,997, i.e., about 14 lakhs less, but the same amount of Rs. 47,87,300 were paid to Provincial Governments as their share of ordinary and unified stamps. In the year 1933-34, the expected income is Rs. 7,23,00,000, but the Civil Department share is Rs. 47,87,000, i.e., only a difference of Rs. 300. Another special feature of the Budget is that savings due to emergency cut in salaries have not been included in the Budget which was done in the present year, i.e., in the year 1932-33. The total pay charge of the Department will roughly be Rs. 6,93,00,000 excluding the Audit Office. The Department will, therefore, roughly, get about Rs. 25,00,000. If this is deducted from the expected loss, the loss will be Rs. 32,20,000. I have stated above that there has been a big jump in the items "Provision for Depreciation and Interest on Capital Outlay" which is Rs. 28,56,000. If this item is deducted, the loss will be less than Rs. four lakhs. I consider the Department as a public utility, so I am not much concerned in its profit or loss; but when the Government are maintaining accounts of this Department on a commercial basis, I do not see any reason why the savings on account of emergency cut should not be included in the Budget.

I now touch the retrenchment campaign made by the Department. In the matter of retrenchment, the post office has been hard hit. My information is that the Department has retrenched 137 selection grade posts, 3,289 time-scale posts, 2,868 postmen in the Post Office and Railway Mail Service. The percentage of selection grade posts in the Post Office is 9 to 8 per cent. in some Circle and 6 per cent. in some Circle. But now the percentage has been further lowered. It was stated by the Director General that in the matter of retrenchment discretion was given to the Heads of Circles. The result has been that the Postmaster-General, Bengal and Assam, has reduced 39 selection grade posts, i.e., about 30 per cent. of the total reduction. I give below a statement showing the number

of selection grade posts retrenched in the Post Office and the Railway Mail Service:

Calcutta	14
Bengal and Assam	28
Bombay	1
Rest of Bombay Circle	14
Madras	Nil.
Rest of Madras Circle	17
Bihar and Orissa	10
Burma	10
Central Circle	6
Punjab and North-West Frontier	1
United Provinces	29
Sind and Baluchistan	7
	137

From the above statement it will appear that the Heads of the Circles of Bengal and Assam, Bihar and Orissa, United Provinces and Sind and Baluchistan were rather over zealous in effecting retrenchment while other Heads of Circles thought it desirable for not effecting much retrenchment, apparently thinking that too much retrenchment would endanger the efficiency of the service. The Punjab and North-West Frontier Circle is one of the major Circles where only one selection grade post has been reduced. All these will go to show the discretion given to the Heads of the Circles has been abused by some of the Circle Officers. The percentage of Selection Grade appointments in these Provinces is about six per cent. only against nine or eight in Bombay, Punjab, and Madras, while these Heads of Circles have been very active in effecting the retrenchment. In the Post Office and the Railway Mail Service, they have kept 20 per cent. selection grade posts in the Circle Offices. Apparently they, being the custodian of retrenchment, managed to effect retrenchment on the subordinate offices, escaping themselves scot-free. In the affected Circles, Deputy Postmasters on Selection Grade pay have been replaced by time-scale Deputy Postmasters. The Deputy Postmasters' work is very responsible. They are in charge of Money Order and Savings Bank Departments of every Head Office. The clerks drawing time-scale pay have been compelled to do this work. Similarly in the Calcutta General Post Office, Head Clerks of many important Departments, Assistant Postmasters of important Sub-Offices, who have to deal with insured and valuable articles, have been replaced by time-scale men.

I also mention here the amount of injustice done to Calcutta, in the matter of reduction of Selection Grade appointments. In Calcutta, the number of Selection Grade posts including Town Inspectors was 102 on the 30th November, 1931, against 113 in Bombay and 99 in Madras. The percentage was seven per cent. in Calcutta as compared with ten per cent. in Bombay and 8.25 in Madras. But in Calcutta, 14 Selection Grade posts have been reduced against one in Bombay and nil in Madras. The position of Calcutta is, therefore, worse than before. I understand that the Postmaster-General, Bengal and Assam, has suggested to reduce further ten Selection Grade posts of Calcutta. The Calcutta General Post Office is the biggest Post Office in India, I do not know why the clerks of this particular office will be loser in this way? As in the case of the Meston Award,

[Mr. D. K. Lahiri Chaudhury.]

Bengal has been shabbily treated, in the matter of retrenchment too. On the other hand, in the office of the Postmaster-General, Bengal and Assam, as well as in other Circle Offices, there are Head Clerks and clerks on Selection Grade pay to the extent of 20 per cent. If the Government consider it unnecessary to keep so many Selection Grade men, surely it is more extravagant to keep clerks even in selection grade pay in Circle Offices where these Head Clerks have no monetary responsibilities. The situation is surely bad, and in order to keep a decent number of ornamental Selection Grade posts, the Heads of the Circles have reduced the Selection Grade posts in the Post Office and the R. M. S. where there is real necessity. It should be the duty of the Director General to evolve a formula for Selection Grade posts so that officials in different Circles are not treated in different ways and to see that one uniform principle is followed in all Circles.

Lastly, about the salary cuts. By lowering down the taxable limit of income-tax, the lower paid will have to pay Rs. 7½ as cut against Rs. 5½ or six per cent. of the higher paid officials. Those who are poor must pay more than those who can afford to pay much. This is the position. To conclude my speech, I would ask the Honourable Member in charge of the Posts and Telegraphs Department to review my facts and figures and try his level best to give me a satisfactory and categorical reply to the observations which I have made on the floor of this House.

Kunwar Raghubir Singh (Agra Division: Non-Muhammadan Rural): First of all I wish to congratulate the Honourable the Finance Member for the lucid exposition of the economic position of India. But, Sir, I do not think that the picture is so rosy as he painted it to be. In the Budget estimate, the surplus is shown at 43 lakhs, but in the revised estimates we have it shown as two crores 17 lakhs. From the point of view of the public, very little consideration has been shown to it by the previous announcement of the restoration of the part of the cut in pay. Sir, the public wants, as has been pointed out by many speakers this morning, that the postage rates should be brought to the pre-war level. Nothing has been done to reduce the postal rates which concerned mostly the poor people of the country. Secondly, the income-tax limit has not been lowered. As far as I know, it was announced as a boon by His Majesty the King Emperor that incomes below Rs. 2,000 will never be taxed and, in spite of that, the limit was lowered last year, but it was thought that it will be brought to the old level, but there is no change. Thirdly, the surcharge on incomes below Rs. 5,000 should not have been levied. Nothing has been done in this matter also. Before relief comes to Government servants, relief ought to come to the tax-payers. My fourth point is that the duty realised from petrol ought to be used to improve the condition of the roads which is very bad and the Provincial Governments ought to be given their due share.

Another matter for which thanks are due to the Finance Member is that the credit of India is high abroad and the financial position of the Government is strong, but under the head income-tax revenue has been shown as 18 crores 23 lakhs this year while in the revised estimate of last year, that is the year 1932-33, it was 17 crores and 70 lakhs. So, as I said, it is a high estimate that has been formed and I do not think the real revenue will come up to such a high figure.

Then, Sir, I wish to remind Honourable Members of the Government that His Excellency the Viceroy, speaking, if I remember aright, at Jaipur or in some other Indian State, said that the personal touch which was so much necessary for good government was there. But, Sir, it is lacking here. In the districts we find that the district officials do not come into touch with the public men, like officers here. Here, the Honourable Members and other officers of Government, whenever they want anything, come to our Leaders and consult them, but Sir, the district authorities do not care to come into touch with public men as they ought to do. (Hear, hear.) When public men seek to come into touch with the district authorities, it is they who go to them, but the district officers never call upon them. (*Raja Bahadur G. Krishnamachariar*: "They have no time to see them!")

Then, my next point is that rural uplift, which is very necessary for raising the status of the villages, has not received that attention which it ought to. In my Province, something has been done, as in the Punjab, by Mr. Brayne, to improve the well-being of the villagers, but the way in which that is being carried on is objectionable from the point of view of the public; for instance, they simply deliver some loyal speeches just to counteract the Congress propaganda and while they say that they have come for rural uplift work in the villages, they promptly go away after making four or five speeches. (Laughter.) But, Sir, this rural uplift work requires constant work and devoted attention in the villages themselves, and the primary needs of sanitation and medical relief are never given that support which they require. In my opinion, Sir, the agriculturist has not been helped by the establishment of Banks in rural areas for giving help to a large number of needy agriculturists. There are co-operative credit banks in my province, but they are so few and far between that they cannot be of much help to those villagers which are away from headquarters or those places where co-operative societies exist. So, Sir, it was very necessary, before restoring the cut in pay, that the agriculturist should have been thought of and his burdens of taxation and other burdens lightened. With these few remarks, I shall impress upon the Government to reduce the scales of income-tax as soon as possible and to reduce the surcharge on incomes below Rs. 5,000, and reduce the postal rates.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, in a general discussion I do not propose to make any detailed criticism of the Budget speech of the Honourable the Finance Member covering as it does about 40 pages of printed matter. He must be a super-man who would attempt a detailed criticism of the financial statement which is the result of a thoughtful and serious study of all the facts and figures that were available to the Honourable the Finance Member for more than a month. That being so, I shall touch briefly on some of the salient points which appear to me to be of great importance at the present moment when we are discussing the General Budget.

Sir, at the very beginning of his speech the Honourable the Finance Member told us that, viewed merely as a matter of public finance, the Budget is a satisfactory one. Sir, I fail to see to whom it is satisfactory except the Government. The Honourable the Finance Member, ever since his assumption of the high office of Finance Minister, has tried his level best to avoid a deficit Budget which we have had in the past few years. Everyone will feel sympathy with him when he made an appeal to us in a very pathetic manner almost at the close of his five-year term of

[Mr. Amar Nath Dutt.]

office that he has not been able to give us any relief by relaxing the burdens of taxation, as observed towards the latter end of his speech. We know how sincerely he sympathises with us in our economic distress. That is no doubt due mostly to world causes prevailing everywhere against which the whole world has been trying to fight and, along with them, our Finance Member has tried his best to fight and to try to give us as much relief as was possible; but when I find that he has not been able to give us any relief even in the matter of the surcharge on income-tax and of the abolition of income-tax in the case of people with incomes of less than Rs. 2,000 a year, I submit, we can hardly congratulate my Honourable friend, especially when we find that there is going to be a partial restoration of the pay cuts. Sir, save and except those who are in receipt of monthly salaries, everyone has been hard hit in this country and the economic condition of the people, who are outside that charmed circle of State Service, is simply appalling. In the mercantile offices, as has been observed by the Honourable the Leader of the European Group, who spoke first and who took the lead in discussing the Budget, they have been obliged to reduce the salaries of their employees to a great extent. In fact I know of several mercantile offices where men were previously getting Rs. 500 or Rs. 600, men were told: "Here you are, I am unable to offer you more than Rs. 300. If you like to accept it, stay on, otherwise I am sorry we won't be able to retain you." Sir, it cannot be doubted that they in the mercantile offices also have a conscience, they also feel that there is such a thing as sanctity of contract. We do not know when a contract was entered into between the employers and employees of the Government of India.

Sir, when I was a student of law more than thirty years ago, I remember to have read that in entering into a contract there must be two parties. But here in this contract, unknown to any system of jurisprudence, we have only one party, the man who contracts with himself. Government officers are in fact the men who offer and the men who accept. That being so, it is the Government of India, as represented by its servants, that make the contract with the servants. That is a proposition of law which the Honourable the Law Member of the Government of India will find it difficult to support. So, Sir, the less we enter into a discussion about the sanctity of contracts about the salaries of the Government officers the better. But, Sir, as I was observing, look to the condition of the country and the pitiable condition of its people. What is the condition around us? The traders have been completely ruined, the agriculturists are on the verge of starvation, and the incomes of professional men have gone down by 50 or even 75 per cent. I see some highly paid officers of the Government are laughing which reminds me of Nero fiddling while Rome burns. Sir, it is all very safe for these people to laugh with their fat salaries and pensions secured. Be that as it may, what I was trying to impress upon the House was this that when there is distress all round the country, it does not look well that some people should be exploiting them further in order to continue with their fat salaries. That is my contention, Sir. Living as I do in the village, I have sufficient experience of the condition of life in Bengal villages. I know the condition of the ryots and I may tell the House that they are not only unable to pay their rent, but have not the barest necessities of life. They do not get a full meal a day either for themselves or for their children. That is the condition in Bengal villages. I invite

Honourable Members who have any doubt in this matter to come with me to any of the villages in Bengal and see things for themselves. They have hardly a bare rag to cover themselves and they squat on straw-bed at night and cover themselves with palm leaf *chetai* to protect themselves from cold. When such is the condition of the masses, you come with clean shirts and fashionable dresses . . .

An Honourable Member: Do you mean the Chairman?

Mr. Amar Nath Dutt: No. The Chairman has hardly got a clean shirt. (*Sir Cowasji Jehangir:* "Have you got dirty clothes on?") Yes, because I am myself an agriculturist. That being the condition of the Bengal villages, the taxation proposals about the three most necessary items for the poor agriculturist, kerosene, salt and cotton piece-goods, cannot be supported. These poor agricultural labourers work in the fields from early morning to dewy eve and then at night time they ply their carts to distant towns carrying the little agricultural produce that they can gather from their fields to sell and to convert into money in order to pay the rent or purchase one piece of cloth to cover himself throughout the year while their children always go naked. That is the state of things and still you have not reduced the high salaries. You cut their pay only by ten per cent. Sir, if from a man, who draws Rs. 4,000 a month,—I do not necessarily mean our friends over there, but there are other people also like High Court Judges who draw that amount,—you take away Rs. 400 which is ten per cent. of his salary, what is he deprived of? He will continue to have all the comforts and luxuries of life, but probably there will be a little less deposit in his bank account. That being so, I beg to submit that this Budget does not take into account the economic distress prevailing in the country. If this Budget has been prepared for the Government of India, I have no quarrel with them, but in this Budget speech I only see a financial account of the Government of India, but I expected also a sympathetic consideration of the distress of the teeming millions of the Indian people whose destiny has been entrusted into their hands and an attempt to better their lot. In making all these observations, I must not be understood to say that it was in the hands of the Finance Member to render them relief at once. There are many other forces at work. In fact bound with all the rules of the present system, tied hand and foot, nobody could have done better than what he has done. I appreciate, as every one of us in this House does, his sincere desire to give relief to the Indian people as much as possible. But, at the same time, he has his limitations. He thought when assuming office that by his masterly financial abilities, he would be able to do something to relieve India's indebtedness. He has done his best which was possible for any human being to do. For that we have nothing but respect and admiration for the Honourable the Finance Member. If I am making these observations it is to those who are in charge of this vicious system by which the Indian masses can be exploited and under which even a sympathetic Finance Member cannot give relief to these distressed people with the best of intentions. Sir, towards the latter end of the Honourable the

I P. M.: Finance Member's speech we have been reminded that we are in a period of constitutional uncertainty and special difficulties. I may be permitted to observe that this constitutional uncertainty had nothing to do with the present rate of taxation, because, whatever may be the constitution that might be framed—and unless it is properly framed with the advice of those who can best advise on the framing of the constitution, I would not have it—it will not be able to give us any relief. I would not have

[Mr. Amar Nath Dutt.]

a constitution in the hope of getting more relief than what our present Finance Member attempted to give us, if in that constitution the voice of the people who can deliver the goods—I mean the Indian National Congress—is not allowed to participate.

Sir Muhammad Yakub: But you are still at large.

Mr. Amar Nath Dutt: I am still at large as my friend observes, and it is probable that my friend would be happy if I am not at large, but I am not going to oblige him by leaving my place here. I think, Sir, that if any Honourable Member has any doubt in his mind, I would tell him that he would be relieved to a great extent of the doubt that by not only reducing the salary of the civil employees, but also to a certain extent by reducing a little more of the military expenditure we would have got some relief. We have been told that the military expenditure is less than 47 crores next year. That is hardly enough. I believe, Sir, that we need not have a large Army which we have at the present moment. Sir, there is no fear of a Russian invasion as there was 40 years ago. There is no fear of any tribal war

Mr. Chairman (Sir Hari Singh Gour): The Honourable Member has exceeded his time.

Mr. Amar Nath Dutt: With only one or two words, Sir, I shall conclude. Sir, the cartoons of the daily papers here indicate the way the people think of this Budget. I think there should not have been the imposition of the stamp duty on cheques and we also wish to be relieved of the excessive cost of the postcards as also of the surcharge in income-tax and income-tax below Rs. 2,000.

Allow me, Sir, to thank the Honourable the Finance Member for the masterly way in which he has been able to raise the value of Government securities and when we remember the poor Indian widows with nothing but these securities whose value came down to 53 and which is now 82, we cannot but admire, and the whole country will ever remain grateful, to him. Sir, I congratulate the Finance Member for the masterly way in which he has raised India's credit.

Mr. Chairman (Sir Hari Singh Gour): I would call upon the Honourable the Finance Member to reply, if nobody wants to get up.

Raja Bahadur G. Krishnamachariar: Sir, when Mr. Amar Nath Dutt sat down, I thought that there would be very little time between now and the Lunch interval, and I did not desire to get up out of fear that my speech should be cut. As, however, no Honourable gentleman rose and there may be a chance of losing my right to speak for whatever it is worth, I beg your indulgence in order to lay my observation before this House. Before I do so, I join with my friend, Sir Leslie Hudson, in congratulating the Finance Member for his extremely lucid speech in presenting the Budget of this year and, more than that, I join with him in the hope that my friend, Sir George Schuster, would be in his place this time next year in order to disentangle certain troublesome problems which he had to face because of circumstances beyond his control.

Sir, there are only few points that I should like to place before this Honourable House, as I was not prepared to be called on to speak at

this early stage. The most important thing is the agricultural condition that I have been placing before the House time in and time out, I will try to lay the condition in which the agriculturists stand at present. Whatever might have been the ground upon which the Honourable the Finance Member was able to state that the agriculturist has got so much power of resistance that he is able to withstand any amount of burden even in lean and depressing years, the fact is entirely otherwise. My friend, Sir Leslie Hudson, has spoken about this matter and regarding conditions in one part of the country, coming from the southernmost part of the country I have got to say ditto to what he said. The conditions there are very deplorable, so deplorable that even the Government found that the remission of taxation that we applied for ought to have been granted, or might have been granted, but according to the queer logic of the Madras Government they say this. We asked for 12½ per cent. remission, the amount by which land revenue was increased at the recent settlement. The Madras Government do not say that conditions are such that we are not entitled to it. In fact, although they have not said so, in so many words, they have implied that we were entitled to that remission, but did they give it? No. Why?—because we were not going to be benefited by it. Sir, I do not know if this House is aware of the fact that out of the entire land holdings in Southern India, 85 per cent. of the pattadars pay taxes less than Rs. 10 each. To them is not that 12½ per cent. some relief, *i.e.*, two annas in the rupee? They are in such a position that, unless you give them some relief, they have to sell their utensils, if they have any. If they have any brass utensils, they have to sell and replace them by mud vessels. We have not got galvanised sheets down south and we have only a few rotten bamboos in the huts. That is the position to which the agriculturists are reduced to. The outturn of agriculture this year is not more than seven to eight annas.

I referred to the question of averages once before and I placed before this House the story of the Marwari who tried to cross a river upon the basis of average depth and found his wife and children being washed away by the river, because his average worked out to only four feet while in the middle of the stream the depth was nine feet. Speaking here in a fine place with a comfortable salary, it is all very well to say: "The whole position of India, taking the average, is very good; therefore everything is all right in this best of all worlds." That is not a position I can take. The shoe pinches me; the shoe pinches 90 per cent. of my countrymen and it is from that position that I am talking and I say that the produce to us this year is not certainly more than seven annas down South; and what about the demand for it? *Nil*. We cannot get any market for it, and the Madras Government, while denying us this remission, promised to find out a market for us. Where are they going to find a market? I do not know. The question has got to be put there; but, as I am here, I very respectfully beg to point out that whereas we are entitled to the remission and we are not given it, we are told that at some time later a market will be arranged for us; and, in the meanwhile, the man who makes the demand for *kist* is at my door: he wants money and is inexorable in his demand: he has got a paper in his hand and says "Have you got the money?". I tell him "No." "Very well", he says, "my order is to attach your belongings such as they are." That is the position to which we are reduced, and though it may be a very good thing to sit here and say: "there can be

[Raja Bahadur G. Krishnamachariar.]

no remission of taxation", surely we are entitled to some sort of relief or at least not to be told that we are overflowing with prosperity and that, therefore, nothing is required to give us relief. That is my first contention in connection with this Budget.

The next point that I would invite the attention of this Honourable House to is the agricultural indebtedness. This point has been beaten, beaten, beaten unto death and, therefore, I will not take up the time of the House by going into long details, but, Sir, as a matter of fact, we are really pressed down by this debt. I very well remember that when the co-operative credit societies first came into existence, we were told that the millennium was in sight and that we were going to be relieved of our indebtedness soon. Now, indebtedness goes on piling up—no payment of interest, no payment of principal and no resources to meet either interest or principal. When is this condition going to be eased? Cannot the Government do something—a Government which say that it has got to spend 47 crores of rupees for the army? Can it not find some money in order to relieve us from this indebtedness? They talk of village uplift and rural uplift. All this village and rural uplift consists in holding a meeting in a village about 10 or 12 miles from the headquarters; festoons of flowers and garlands and fruits and sweets for the children; the officer comes and delivers a fine speech and, after that, all go home and the villager goes to bed without anything to eat and then they are all satisfied; and the next morning the daily papers hum with the entire report of the speech and with the great benefit that has been conferred by this Government official upon the village by his condescension to visit the place and receive an address. That is not the way of uplift. You must know exactly what the condition of the village is, not by reading from reports or travelling in a railway carriage, but by trying and seeing the position as it is. That has not been done and, I respectfully submit, some action must be taken; it is high time that some action is taken to relieve the ryot of his indebtedness and uplifting him.

Along with the absence of reduction of taxation, there is one thing that is hanging like the sword of Damocles over our heads, and that is the foreign Income-tax Bill. I have spoken about it at the time when the Bill was referred to Select Committee and so I shall not repeat what I said. One is afraid to think that when one leaves his home, leaves his country and goes to a foreign land and earns a few rupees, saves it and tries to bring it to his original home, there comes the income-tax man and says: "Now, how much money have you got?" He says five hundred rupees. The officer says: "Very well, give me my tax, and then you can get into the house." That is the position and really it is heartrending; and, I say, that although sufficient protection has not been given to the agriculturist, and although nothing has been done to relieve his indebtedness, even the little money that he has earned, not under your jurisdiction, but outside, the little money that he has saved by pinching his every day wants in a foreign country, when that money is brought into British India, you pounce upon it and say that your share of the tax must be paid. That is not the proper way to give relief to the community to which I have the honour to belong. My Honourable friend, Sir Leslie Hudson, said that it was only the trading classes that have been taxed. I am not a close follower of statistics regarding taxation of trade; but I know there is now nothing much to be had out of the agriculturist and I have got to thank

the Government of India that what was in the air a few days before the introduction of the Finance Bill, that they were going to tax agricultural income, has not materialised and that agricultural income has been left alone at least at the present time. There is only one other matter that I would bring to the notice of the Assembly and that is this: I do not know how it could be worked out; my friend, Mr. Lahiri Chaudhury, read out from a speech long statistics about the Telephone Department; but, if the Post Office would extend the use of the telephone among the villages, at least some portion of the expenses might be saved by utilising the telephone, and the Telephone Department might gain something over it; but they do not. Years ago, I asked for a telephone to certain villages and they gave a reasonable sum; but, by the time I deposited the sum and asked for the telephone, they said orders had been received to raise the charges, and the charges were eight times the one they had proposed originally; even if I sold three or four acres of land, I could not have afforded it and, therefore, I kept quiet. I would now suggest that this question of putting up a telephone in the rural parts be taken into consideration. I would also appeal that so far at least as the villager is concerned, motor lorries and motor buses should not be considered at present as luxuries. What happens is this: the Railway Company, as I said before, so adjust their time table that we cannot get our journeys performed in time, much less our produce, such as it is, transported from one place to another. The result is that we have to use motor lorry where the villages are situated in the interior; and, where there is even facility of railway communication, we are not able to bring the goods to the market and, under the circumstances, the motor lorry is very handy and the motor bus very convenient for the villager to transport himself from one place to another. Consequently, Sir, it is not a luxury. I know people like my friend, Sir P. C. Ray, are deploring the disappearance of the herds of cattle which used to drag the country carts from one place to another. But the trouble is this, where we paid Rs. 30 to Rs. 40 for a pair of bullocks even ten years ago, we have got to pay now for the same pair Rs. 130 to Rs. 150, and then we do not get the same kind, the same quality, the same stamina of bullocks with the result that, next year or so if we go to sell the bullocks, we do not get even Rs. 10 or Rs. 20. The result is this. You make a calculation between a motor lorry working for you and the pair of bullocks you have to buy and keep and feed them in these days of depression and less production, and you will find that the villager is to the right side if he can, even with the association of four or five people, make up a motor lorry to transport his scanty produce to the nearest market to get something like a fair return without the interference of the middleman. I do not know how much time I still have, but I do not intend to take up any more of the time of this House, because the Budget is a vast subject, and I do not profess to be either a financier or a statistician to trouble this House with statements which I do not understand nor had I the time to study them. I, therefore, commend to the attention of the Finance Member my remarks about the agriculturist and the way how relief should be given to them.

Mr. Chairman (Sir Hari Singh Gour): The House now stands adjourned till Twenty-five Minutes to Three of the Clock.

The Assembly then adjourned for Lunch till Twenty Five Minutes to Three of the Clock.

The Assembly re-assembled after Lunch at Twenty Five Minutes to Three of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

Sir Muhammad Yakub: Sir, it is more or less customary that the Honourable Members start their speeches on the Budget with encomiums on the Honourable the Finance Member. For a man like myself, who is least qualified to appreciate the technical intricacies of the financial position, it would be nothing short of impudence to make a start by appreciating the worth of a technical expert about whose special knowledge I can understand very little. As a layman, I can only say this much that the skill and sagacity which the Honourable the Finance Member has shown in combating one of the worst world wide financial crises, is nothing short of a miracle to me. I also regret very much that the major portion of the tenure of office of the Honourable Sir George Schuster should have fallen in a period of utmost financial difficulties, which the world had ever to encounter, and that India could not get the full advantage of his ability and masterly grasp of problems, owing to the causes which were entirely beyond human control. However, I am sure that Sir George Schuster will be known in the future history of India as a great pilot who steered the financial ship of our country in a most stormy and violent ocean and saved it from being wrecked.

As I have said above, I cannot dabble with figures nor can I enter into a discussion about the balance of trade and other technicalities like that, which must come within the extensive purview of my esteemed professor, Dr. Ziauddin Ahmad. I will confine myself only with making general and brief remarks which a layman can make on an occasion like this.

The first thing which struck me most in the speech, which the Honourable the Finance Member made, in introducing his Budget proposals for 1933-34, was his explanation as regards the exports of gold from India. As I have said above, I am unable to make any technical observations on this subject, but, as a layman, I can only say that, at least, so far as the United Provinces are concerned, most of the gold, which was disposed of, by the tenants and landholders, was not sold as a voluntary transaction, but they had to part with it in order to make compulsory payments of their rents and revenues. And the poor tenants as well as the zemindars have now exhausted all their resources and reserves in making such payments and, I think, they will not be able to make such payments in future years even if they are compelled to do so. The poor peasant and suffering landholder have not been able to make any investment by the proceeds of gold. If any section of community was benefited by this transaction, it was the money-lender, who got most of the gold ornaments through the cheap process of pawnbrokership. Therefore, I find myself unable to subscribe to the view expressed by the Honourable the Finance Member "That proceeds of gold sales have been converted into investments by the poorer classes." The Honourable the Finance Member is right in his feelings of admiration and wonder at the way in which Indian people have adjusted themselves to the emergency. But I must impress upon him that the back of the camel is already broken and it would be a greater wonder if he can stand up again on his legs.

The next point, about which I want to make a note, is the question of the development of the sugar manufacture in India. Although on

account of the import duty in India on the foreign sugar, the Indian sugar is now in a better position to compete the foreign sugar, but the sugar candy imported from Japan is still in a more favourable position than the other kind of imported sugar. The prices of sugarcane and *gur* are extremely on a low level and a sugar cane cultivator can hardly make any profit out of it. If this small indigenous industry of India is to be supported, it still requires a greater protection against the foreign influx of the commodity.

Turning to the expenditure side of the Budget, I find that the Honourable the Finance Member has shown his greatest concern about the cut in the pay of the Government servants. So far as the low paid Indian clerks are concerned, I entirely share his sympathy and anxiety on this account, but I do not think that Government would be justified in maintaining the heavy burden of taxes in order to fill the pockets of highly paid Government servants, whose salaries are still greater than the salaries of public servants in any part of the world.

As regards the Military expenditure, although I am prepared to give full credit to the Military authorities for the reduction which they have made, I would like very much to hear from the Honourable the Finance Member as to what extent the Military authorities accepted the recommendations of the Army Retrenchment Committee and what recommendations they were unable to give effect to and on what grounds.

Now, I wish to refer to a matter with which, as is known to the Honourable House, I have long been connected and in which, in view of the future of my community, I have long been interested—I mean the question of the financial aid that the Muslim University of Aligarh gets from the Government of India. I have been horrified to see that no less than 30 thousand rupees have been deducted from the grant-in-aid which was due to the University from the Government of India. The position of the Aligarh University is that though every effort has been made to raise an adequate sum of money for the efficient maintenance of the University, but, in view of the economic distress in the country, those attempts have not yielded satisfactory results. As is known to this Honourable House, it was on the basis of my resolution which the Government very kindly accepted that a non-recurring grant of Rs. 15 lakhs was made to that University and a similar sum had been donated to the Benares Hindu University as well.

As the Mussalmans had remained backward in the study of science the authorities of the Muslim University, very rightly, and, as a measure to safeguard their future, utilised the greater portion of that grant for the creation of Departments of Science which, experts have assured me, are second to none in India. I am sorry my Honourable friend, Sir Frank Noyce, is not in his seat just now. If he were here, he would support me in what I say, because, on the occasion of the last Convocation, when he so worthily addressed the Convocation, he himself saw the Science College and was very much satisfied with the work that the College was doing. But, Sir, science is an expensive subject and if efforts, so far made, are to give us adequate results, it is incumbent on us to see that sufficient funds are forthcoming to meet the essential requirements of the Departments of Science.

[Sir Muhammad Yakub.]

Since in the India of the near future it would be necessary for a number of services to have Mussalman candidates with Science Degrees if the communal proportion is to be properly maintained, I think it is the moral duty of the Government to make an extra effort to help the community which, besides being in a minority, is educationally backward. If, at this critical juncture in the history of our country, my community is left unaided, then a great moral crime will have been perpetrated and this, all the more so, when it is realised that in spite of independence of thought the University has ever preserved within itself the utmost discipline.

I should like to make it clear that though, as a result of noble efforts of our worthy Vice-Chancellor, Dr. Syed Ross Masud, the income of the University, during the last few years, has gone up, still we are faced with the special situation that we have not adequate money to maintain the Science Departments that are essential for removing the backwardness of our community in the matter of possessing enough young men with adequate scientific qualifications.

I, therefore, strongly recommend to the Government to consider sympathetically the important question of giving a special grant of 1½ lakhs a year to the Muslim University for a period of five years during which time it is hoped that the general economic situation will have improved sufficiently to re-open for the University those resources of income which are now closed to it, or at least to restore the ten per cent. cut which has been imposed upon grants-in-aid to the Aligarh and Benares Universities.

Dr. F. X. DeSouza (Nominated Non-Official): Sir, on behalf of the community to which I have the honour to belong and which I have the honour to represent in this House, I should like to make a few general observations on this Budget; and the first observation I should like to make is to invoke the principle of "no taxation without representation", which is the foundation-stone of the liberties of the British Empire. (Hear, hear.)

Sir, we are on the threshold of great constitutional changes, and the community, which I represent, is very greatly agitated as to how these reforms and how this change in the constitution are likely to affect them. Honourable Members are aware that the Indian Christian community numbers more than six million souls, and is the third largest community in India. Already, with the promise of Swaraj and its approaching imminence, menacing clouds have appeared on the horizon which are agitating the minds of the Indian Christian community.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadian Rural): Get one-third representation!

Dr. F. X. DeSouza: Responsible leaders of the Swaraj Party Sir, have already held out a threat that they will look askance at the activities of foreign missionaries in this country. It is needless to say, Sir, that it is to the supreme self-sacrifice, to the devotion, and to the generosity of the foreign missionaries that the Indian Christian community owes its existence (Hear, hear) and it is unnecessary to say that not only the Indian Christian community, but non-Christian communities also throughout

India and especially in Bengal and Madras, have benefited vastly from the educational activities of the missionaries and owe their uplift to them. (Hear, hear.) If that is so, Sir, the threat held out by responsible Swaraj leaders that they will view with suspicion the activities of the missionaries have greatly perturbed the minds of the Indian Christian community. Secondly, Sir, a responsible official, the Advocate General of an important Provincial Government, namely, the Government of Madras, has given it as his considered opinion that religious and charitable institutions owned by Catholic Missions or religious associations cannot hold immoveable property in British India, because, in the opinion of this learned Advocate General, this property vests not in the Christian community of the locality concerned, but in a foreign potentate, as he is pleased to call the Head of the Roman Catholic Church. That, Sir, has seriously perturbed the minds of the Catholic Missions throughout Southern India. Thirdly, Sir, the personal law of the Indian Christians and, more especially, of the Catholic section of the Indian Christian community is gravely menaced by the decision of the Bombay High Court which, notwithstanding the express statutory provisions of the Indian Christian Marriage Act, held that a marriage celebrated otherwise than in accordance with the canon law of the Church of Rome would be a valid marriage. Side by side with these misgivings on the part of the Indian Christian community as to their religious rights, there is also the fear that, with the gradual assertion, of the rights of the majority communities, their own place in the public services as well as in the Legislatures of the country will be seriously jeopardised. They feel that now that already one of the minority communities has secured for themselves a fixed proportion of seats in the future Legislatures of the country and that another community will naturally assert its right to its own proportionate share, we shall be between the upper millstone of one majority community and the nether millstone of one of the minority communities and thus be ground down and be nowhere.

An Honourable Member: This is quite natural.

Dr. F. X. DeSouza: My Honourable friend says: "this is quite natural". That is exactly why I bring it to the notice of the Government, so that some action should be taken in order to prevent this natural but unfair result. Sir, in view of the state of things I have described the Government of the day realized the necessity of reassuring public opinion of the Indian Christian community and they sent two delegates to the First and the Second Round Table Conferences, but they did not, I regret to observe, send a single representative to the Third Round Table Conference. (*Lieutenant-Colonel Sir Henry Gidney:* "Shame, shame.") (*Mr. N. M. Joshi:* "But there were Christians.") There were no Indian Christians sent; there may have been Christians, but they were not Indian Christians. That being so, Sir, in order to re-assure public opinion amongst my community, I would ask the Government even now to send at least one representative on behalf of the Indian Christians to assist in the deliberations of the Joint Select Committee (Hear, hear.); otherwise, Sir, we shall honestly and sincerely feel that our rights will be entirely jeopardised and, as representing that community, I shall be bound to withhold my assent to this Budget on the principle of "no redress of grievances and no supplies".

[Dr. F. X. DeSouza.]

Turning now to the merits of the Budget, speaking on the last occasion when the emergency Budget was introduced, I pleaded on behalf of the community which I represent for lightening the burden of taxation on the lower middle classes who constitute the bulk of the community which I represent. I pleaded more specially for an assurance from the Finance Member that, as soon as the emergency would be over, he would remit or at any rate lower the tax on salt and kerosene, lower the customs duty on cotton piece-goods and reduce the postage. I am afraid my prayer then and the prayer of all the other Members of the House, interested in the question, fell on deaf ears. This morning the Leader of the European Group, Sir Leslie Hudson, has described in a masterly speech the effect of the callous manner in which the Finance Member has treated the wails of the poor. Sir Leslie Hudson's speech was punctuated with applause more from the Nationalist and Independent Benches than from any other section of the House; and, as he spoke, it seemed to me as if he was a new recruit to the rapidly disintegrating Nationalist Party. Anyhow, all that it means is that when a solid, serious and responsible group like the European Group joins in condemning the Budget in the manner that Sir Leslie Hudson did this morning, it is a clear sign that what is extremism or radicalism yesterday is conservatism today; and the country will welcome the sympathy of the European Group in their attitude towards the Budget, and more especially their advocacy of the poor, as a good augury for the good working of the coming constitution. The only consolation which the Finance Member could give us was an expression of complacent satisfaction at the resisting power of the poor in this country, their possession of reserves to stand an emergency, reserves in the shape of gold trinkets on the persons of their wives and daughters which they parted with for the sake of paying their rents and their interest and assessment. And he invited the poorer classes in this country to tighten their belts, to wait and to hold on. With reference to this invitation to tighten their belts, it seems as though in a short time all belts, however tight, will slip from their emaciated bodies. But, speaking seriously this attitude of Government towards taxation on the poor agricultural classes reminds me of the well-known verse:

"The toad beneath the harrow knows,
Exactly where each tooth-point goes;
The butterfly beside the road,
Preaches contentment to that toad."

Sir, if this is all the consolation that Government can give to the poor in this crisis, I warn them that the problem of agricultural poverty and indebtedness has become far more menacing than would warrant this complacent attitude. I venture to think that a more constructive programme is necessary for dealing with this problem. I have now been for over two years in this House and from the progress of the debates one would feel some doubt as to whether this House represents a country of which more than 80 per cent. of the population depends on agriculture. But one Resolution about agricultural indebtedness has been moved in this House during the time that I have been a Member of it, and that was done at the instance of my Honourable friend, Sir

3 P.M.

Muhammad Yakub. Government shed crocodile tears in those days about what they admitted to be astronomical figures about agricultural indebtedness. They promised to call for reports from the Provincial Governments and to take immediate action. The Provincial Governments sent their reports, but still nothing has been done. I may suggest, as a constructive measure, that it will be necessary to have some Minister responsible for dealing with agricultural indebtedness, as otherwise the consequences all over the country will be far more serious than Government can anticipate at present.

One other point I should like to mention and that is about the restoration of a moiety in the cuts. Personally, having recently retired from service and having been in enjoyment for over 35 years of what the Opposition might call princely salaries, it ill becomes me to say anything about the restoration of the cut to the services. It is after all an ill bird that fouls its own nest; and if I say anything to deprecate the restoration, partial though it be, of the cut, it is because it is a case of national emergency and I must speak as a Member of this House responsible to this House and responsible to my constituency. Sir Leslie Hudson this morning emphasised the unseasonableness of restoring the cut at this time specially as in the large European commercial houses nobody ever thought of appealing to the terms of contract by way of protest against the cut. And even so responsible a journal, an organ of public opinion like the *Financial Times* of London, the other day, speaking on the Railway Budget, deplored the folly of restoring the cuts at a time when trade and industry were languishing, and heavy taxation was crushing industry. The action of Government in these circumstances reminds me of what a noble poet of the Victorian era wrote during the time of the Chartist movement. In his invocation said the noble poet:

"Let trade and commerce, arts and science die,
Leave us, O Lord, our aristocracy."

Following this sentiment, the Finance Member seems to have said to himself:

"Let trade and commerce, arts and science die,
Leave us, O Lord, our sacred bureaucracy."

That, Sir, is all that I have to say.

Raj Bahadur Lala Brij Kishore (Lucknow Division: Non-Muhammadan Rural): Sir, I beg to take this opportunity to offer my heartiest congratulations to the Honourable the Finance Member for the surplus Budget which has been shown for the year 1932-33. It is certainly a great credit to him that he has been able to show a surplus Budget in the most critical period of economic depression unprecedented in the financial history of the world. But, Sir, while congratulating the Honourable the Finance Member on his outstanding ability to steer smoothly the ship of public finance of India in the troubled sea of time to the haven of tranquility and thereby encouraging bright hopes in our hearts for the better prospects of public finance, I shall be failing in my duty towards my constituency which I have the honour to represent if I shall not rightly indicate the grim aspects of the causes which are eating into the vitality of India.

[Rai Bahadur Lala Brij Kishore.]

Sir, I shall here deal with the agricultural condition of India. India being purely an agricultural country, nearly 85 per cent. of her population depends on the products of the soil. Tenants pay their rents to the zamindars by selling their products, landlords pay their revenue to the Government when they realise their rents from their tenants and Government meet their obligations when revenue is realised. So, Sir, in the whole process of the country's finance, it is clear that the rise or fall of the public finance of India and her prosperity or adversity depends solely on the prices of her field products. Sir, if the Government want the progress of their administration, it is their bounden duty that they must pay their best attention to the fact as to how to give an impetus to the rise of the selling prices of the agricultural products which have hopelessly gone down even to the level of the cost of production.

The next thing, Sir, is the crude system of agricultural operation by the peasants. They are quite ignorant of the modern method of agriculture, and, as a result, they are quite unable to produce things better in quality and kind and consequently they are unable to compete in the world's market when the question of quality of the products comes in. So it is the duty of the State to impart to the agriculturists the modern method of agriculture. There are various other things in connection with the agriculture, such as better marketing facilities and better transportation means, which should be provided to the agriculturists so that they can make use of the best of their products in the selling as well as buying places. But, Sir, this is an irony of fate that the agricultural masses of India are left uncared for to the ravages of time and circumstances and there is no real intention on the part of the State to improve their conditions and how to increase the out-put both in quality and kind.

Sir, India has been heavily saddled with taxation. It will not be an exaggeration if I would be permitted to say that the system of the taxation in India is nothing but pumping water out of a limited reservoir without any fresh supply to it. The income of the people of this unfortunate land has in no way increased, rather is decreasing year after year, but the amount of different kinds of taxes is riding on their shoulders day by day, in proportion to the decrease of the Government revenue and their increased expenditure which are due to various factors operating in the administrative system of the Government.

Sir, I do not want to tire the patience of the House by citing cases of the taxes and their amount to be paid by every individual as Honourable Members of this House are well aware of them. I will simply say that the Government have adopted a dangerous course by taxing people beyond their paying capacity. I do not think, Sir, the proceeds of the taxation are fully meant for the welfare of the people. Out of the total revenue of India, not more than 10 per cent. is spent on the education, sanitation, etc., for the masses and the rest goes to meet the Government's obligations, the accounts, which are votable, are known to the Honourable Members of this House, and those, which are non-votable, are known only to the Government. Nothing, Sir, to say on this point.

Sir, I do not like to repeat the same old tale which has been narrated times unnumbered on the floor of this House to draw the attention of the Government, but, Sir, the result which has been received in many cases amounts to nil. I would simply suggest that the Government should forget the past, and at present, it is the high time for them to find out

the ways and means how to develop the sources of income and explore fresh avenues which have got the potentialities to yield incomes to swell the people's pocket and the Government's treasury.

Sir, we are on the threshold of the constitutional advancement. A new era will dawn in the horizon of India. We expect the Government to come forward with a complete change of their outlook. We implore the Government to secure the co-operation of the people in all their activities. They should not fail to realise that the Government of the country should be for the people, by the people, and with the people. If this will be done, there shall be permanent and lasting peace and we shall emerge out of the political confusion which has darkened the horizon of our destiny; otherwise, the vitiating air in the body politic of the country will never be dispelled and the condition will descend down from bad to worse. With these words, Sir, I close my observations.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): Sir, I join in the chorus of congratulations that have been showered upon the head of the Honourable the Finance Member. It is a matter of gratification to him that he leaves the finances of the Government of India in a prosperous condition with the credit of the Government enhanced and, at the same time, he has not increased the burden of taxation. (*Voices*: "Do you want more taxation?") No, I do not want more taxation certainly, but I would have preferred if the Honourable the Finance Member had been able to take off some of the burden of taxation that is already grinding the people. But let us see in what position his successor will be. Will he be in the same happy position as he is here today? The credit of India will not suffer, I think the rate of interest will not go up. But on account of the depressed condition of the ryot, perhaps the receipts from revenues may not be as satisfactory as they have been this year. The customs revenue may not be as high as it is this year, and, I am afraid, Sir, that owing to the depreciated condition of the ryot I am led to expect worse days than brighter days. India has parted with over 100 crores of her hoarded gold. It may be compared, Sir, to accumulated fat in the body. If fat is worked off by proper exercises and in a proper way, then the body gets stronger and is able to do more work, but if the fat is wasted on account of disease, then the body gets emaciated and, at the same time, it gets weaker and a very dangerous situation arises. The export of gold must be looked at in the same light. Poor agriculturists and others had to part with their last grain of gold in order to meet the necessary expenses to pay land tax and rent, and, therefore, this huge export of gold is in the nature of a serious disease. All the gold that left the shores of India did not add any strength to our industries and had not been soundly invested, because it has wholly been consumed or the major portion of the price of that gold has been consumed. The export of gold was a God-send for the benefit of the Government of India and the Government of Great Britain. It came very handy to them, but it has not benefited India to any appreciable extent. On account of the gold export, the condition of the Government of India has improved. They have been able to reduce their rate of interest and in that way saved a big amount in the shape of interest charges alone. But what is the condition of the ryot at the same time? Has his condition improved? Nobody can say that it has, and I have the authority of Sir Leslie Hudson and other speakers that it has materially deteriorated. If the condition of the ryot goes down and the condition of

1496

LEGISLATIVE ASSEMBLY.

[2ND MARCH 1933.]

[Mr. B. V. Jadhav.]

Government improves, it shows that there is something fundamentally wrong in that idea. The improvement in the condition of the Government is merely apparent if really the condition of the ryot has deteriorated, and there is no doubt about it that the condition of the ryot is going from bad to worse. So the apparent prosperity of the Government of India is, I am afraid, not likely to last long, because, if the ryot is prosperous, Government are naturally prosperous and if the ryot is not prosperous, the apparent prosperity of the Government is illusory.

I have to turn my attention to another point in the Budget and that is the restoration of the five per cent. cut. Nobody on the non-Government Benches has up to this time spoken in favour of the restoration of this cut. I want to point out that the salary of Government servants in this poor country is the highest in the whole world. The civil servant of a rich country like England does not get as much salary as the civil servant of India does. England has been very generous to her servants in India, but not to her services in England. This extra generosity on the part of the Government to their servants here has been injuring the interests of India in more ways than one. Government service has been made very very attractive on account of high salary that is offered and also the security. But that has a very bad effect upon the other walks of life. The best brains of India are seduced to these more remunerative and more leisurely services. (Interruption by Sir Muhammad Yakub.) Your advice is not wanted. Our young men aspire to get into Government service and they neglect trade and industry and other walks of life which would have gone to enrich the country. Until this high scale of salary is reduced and brought down to the level of the emoluments in other trades and industries, this condition of India is not likely to improve. If the salary of Government servants is reduced, young men of parts will think of going into other walks of life and, in that way, their services will be more useful to the country. In England the best brains generally do not go into Government service; they seek employment in other avocations and we see what that has resulted in. The trades and industries of England prosper, because the best brains are engaged in them. In India the best brains are attracted to the Government Benches and we see some of our best brains in the civil and other branches of service. They would have been more useful if they had exchanged places. So the salary of Government servants is certainly too high and, as good comes out of evil, we looked upon the ten per cent. cut as something good which has come out of the evil of financial morass. But the Government are more anxious to give more pay to those who are already getting much, and their first interest and care has been to restore the cut at least to the extent of five per cent.

The reason that was offered by Government and by the Finance Member was that the Government had covenanted and promised and there is the actual contract. I appreciate these high feelings. But what were the promises given to India by England? England has all along been claiming as the trustee and the protector, and what not, of the whole of the millions of India? What is the result of that trusteeship? People here are getting poorer and poorer every day. The debt on agriculture is piling up every day, but the Government, in their place of security, are calm and unruffled; they may issue communiqués and appoint Committees and get reports; they appointed a big Committee which has issued a very big report—the Banking Inquiry Committee; but what have the Government done with

that report? What measures have they taken to improve the debt redemption schemes for liberating the poor ryots from the debt that is pressing them down?

An Honourable Member: That is never coming.

Mr. B. V. Jadhav: The present hard time has added to that burden, and if this goes on for some time longer, the condition of the average agriculturist will be very bad indeed and he will become insolvent and beyond any hope of recovery. I need not pursue this subject longer. The agriculturist's condition is very bad indeed and although people are talking about it, the Government will not take any serious action and all the speeches on this side of the House are as if they were cries in the wilderness.

Another point which the Honourable the Finance Member raised in his masterly speech was that the expenditure on the army was very much reduced. The army can be divided into three portions—the army that is required to keep peace on our frontiers, the army that is required to preserve internal peace and order, and the substantial portion of the army that is maintained efficiently in India for the purpose of fighting the Empire's wars in any part of the world. Rightly speaking, the heavy expenditure of maintaining this third portion of the Indian Army ought to be borne by the Empire; but this poor country has to bear it and maintain it in the highest stage of efficiency. For that purpose the necessity of mechanisation has been preached and crores and crores of rupees have been spent on it. The wars which India has to fight, especially on the North-West Frontier, can be fought without much mechanisation. The country on the North-West Frontier is not very suitable for tanks or for other mechanical things. The enemy we have to fight against is not armed with these deadly machines, and, therefore, I feel that we spend more money on mechanisation than is really justified. The army is in excess of our requirements, and, by cutting it down to our actual requirements, more money can be saved. . . .

Captain Sher Muhammad Khan Gakhar (Nominated Non-Official): For fighting the neighbouring countries we want more army.

Mr. B. V. Jadhav: We have to fight only on the North-West Frontier and nowhere else.

Then, Sir, something was said about the war debts and the arrangement that would be arrived at when the war debts question would be considered at the conference to be held at Geneva. I am afraid I do not understand why India had to contract the war debt. India was never at war with any power, and still this war debt has been saddled upon India by her trustees and protectors. Perhaps this House, in the year 1918, or somewhere thereabout, may have accepted that burden. But I do not think it had the approval of the people at large, and the burden was still placed on the shoulders of India against her will. India need have no war debts at all; India did not go to war. India fought the war no doubt, but India did not provoke the war, nor was India in any way interested in the war, and, therefore, I maintain, Sir, that India ought to be freed from this war debt whatever the results of the Conferences that are going to be held in Europe.

[Mr. B. V. Jadhav.]

Then, Sir, my friend, Dr. DeSouza, brought in the question of the Christian community and of the Christian missionaries. I am very glad to acknowledge the debt we owe to the Christian missionaries, especially the backward communities, because it was the missionaries who began to give education to them. Had it not been for the unstinted efforts of the Christian missionaries, education would not have spread among the backward communities, and these backward communities would have remained more backward, for Government concentrated their efforts solely on the education of the advanced communities and they never cared for the backward communities. It was the Christian missionaries who took pity on the backward condition of the masses and began their first efforts.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member has got only one minute more.

Mr. B. V. Jadhav: That one minute, Sir, I shall devote to winding up my speech. I may again repeat that the situation is not so cheerful as it appears to be. The condition of the people is going from bad to worse and there may be many difficulties ahead in realising the land revenue. The political situation, although it shows some signs of improvement, will not really improve until the Government Benches change their angle of vision and treat people with greater consideration and moderation and without any false ideas of prestige.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, my friend, Mr. Jadhav, has said just now that our cries here are like cries in the wilderness, but, on that account, we should not refrain from crying louder and louder.

When I heard my friend, Dr. DeSouza, vigorously pleading for the cause of his community with regard to representation on the coming Joint Parliamentary Committee, I was reminded of a very genuine grievance of my own constituency. My constituency in Sind is a Non-Muhammadan constituency which includes Hindus, Christians and Parsis, and I have every justification to place before the House the grievance of my constituency with regard to their non-representation before the Joint Parliamentary Committee. I do not want to raise here the contested question of the separation of Sind, nor do I want to create any bitterness by saying anything which may be prejudicial to my brethren, the Muhammadans, but I must say, and say it with all the emphasis, that my constituency has not been treated fairly and justly. When the question of the separation of Sind was taken up before the Round Table Conference,—a question which affected the people of Sind very vitally,—those who are in a minority in Sind should have been consulted and they should have been given an opportunity to place their case before the Conference. After the Simon Commission Sub-Committee sitting in Bombay decided that Sind should not be separated, and when this question of separation was again taken up in the Round Table Conference, it was but just and proper that the other party should have been heard,—and my constituency has not only protested, but has been consistently putting forward their objections and asking for representation.

Captain Sher Muhammad Khan Gakhar: What about Orissa?

Mr. B. Das: I have got my separate Province all right.

Mr. Lalchand Navalrai: In that connection I might say, that the Orissa question was not decided until the last Round Table Conference, because representations were made by the people of Orissa to be properly heard on the question, and so it was agreed that Orissa should be separated. But in the case of Sind, it was not heard at all. I am asking for something very just. My point is that representation should be given to the minority community in Sind to place their viewpoint before the Joint Select Committee of the Parliament. Now, there may be several questions of placating the Muhammadans and others, but I am not going into those questions at all. But I only ask with all the emphasis I can that now that the Joint Parliamentary Committee will be sitting, which will be the final stage to consider and decide as to whether Sind should be separated or not, I feel that, even at this somewhat late stage, adequate opportunities should be given to the minority community in Sind to express their views on this very important and vital question. If, unfortunately, Sind comes to be separated, it will have to stand, not on its own legs, but on the legs of others; and there will be several other questions regarding my constituency and their interests will have to be safeguarded. My constituency requires, Sir, not ordinary safeguards, but special safeguards to protect themselves and to have an adequate share in the administration of Sind. I would not like to enlarge upon this point, but I do hope that this is a demand which asks for nothing but bare justice. No one should be condemned unheard. That is the English principle. Why should it be departed from? In the Round Table Conference there was no man from my constituency. The Hindus, who were there, did not know the other side at all. However, they made it quite clear that it would be wrong to separate Sind if it did not stand on its own legs. The Brayne Committee showed that Sind would show a deficit and could not carry on without a deficit for five years. The Irwin Committee said that the Sind Barrage cannot pay for 60 years. These are all questions which should be placed before those who are responsible for separating Sind and, with regard to the safeguards again, I need not say what they should be. They have been discussed at the Allahabad Unity Conference. These are matters which have got to be placed before the Joint Parliamentary Committee. I trust that Government will see their way and that His Excellency the Viceroy will be pleased to consider this question very seriously and give representation to my constituency on the coming Joint Parliamentary Committee.

Coming to the Budget, I was really wavering whether I should congratulate the Honourable the Finance Member or not. I remember, two years back, the House was faced with a huge deficit and the Finance Member found himself in a difficulty. He has now brought out a surplus of 2 crores and 17 lakhs and he expects that, at the end of the year 1933-34, there will be a surplus of 42 lakhs. One wonders as to how this huge deficit came now to be a surplus. I submit it is due to two plans he has brought out. I must give him credit for the bold and ingenious way in which he has brought it out. It must have caused him sleepless nights to conceive the plans which has brought this out successfully.

The first was to throw a bait to the public to bring out their hoard. The price of gold was raised and it went up from Rs. 21 or Rs. 22 per tola to Rs. 30. Even poor people, who had some gold to provide against a rainy day, brought their gold into the market. With regard to this it might possibly be said that the policy of the Government was a good one. But I am absolutely against depriving the country of

[Mr. Lalchand Navalrai.]

solid gold. If no bar is put on the further export of gold, the result will be that we will fall back on currency paper and we know that no one can carry on with it for long. We know the history of Germany where once there was a boom, the price of marks was raised and the result was nothing but ruination. I admit that the Honourable the Finance Member has succeeded in balancing the Budget and showing a surplus and that he has brought out a surplus from a deficit. Yet it cannot be said from the people's point of view that it has been a good policy. The second thing is his plan to put in the market a demand for securities for a long period. Here it is the intermediaries who are dealing in gold that have got the money to invest. Again, the position comes to this, that that investment that has been made and those loans that have been given are a debt from Government and, therefore, the balancing of the Budget or showing the surplus is not really a genuine one. However, I say, that I give him credit for the ingenious way in which he has brought about this result. I heard some one saying that this is jugglery, a question of manipulating figures and reshuffling figures, but I give him credit for this.

The Honourable the Finance Member said that this was his last year of office. Nobody would want such a clever man to go away, but I assure him that if he had used his head a little more and if he still uses it a little more, he will get more laurels before he goes away from here. I tell him that it is necessary to give relief to those who need it most. The first persons are those who have been assessed to income-tax up to the lower minimum. The men affected by this lowering of the minimum from Rs. 2,000 to Rs. 1,000 specially require relief and, if the Finance Member had done something for this class of people, it would have been a great credit to him. There was a great cry on this point and the cry still remains, because it affects the very poor men and the poor subordinates in the services. Therefore, it is of the utmost importance that the Finance Member should find out a scheme to give relief to these people who have been hard hit.

I have not forgotten the surcharge. The surcharge in these days of trade depression was hardly such as people could have borne. It was put on in spite of protests as an emergency measure and the time has now come to remove it. I do not remember the exact words used by the Finance Member. But, I do think it was a temporary measure and so it should be removed. Lastly, I do not forget the Government servants whose cut has been reduced from ten to five per cent. At the time this cut was made, I would not call it an undertaking, a statement was made to the effect that it was to last for 18 months and that then the subject would be considered, and, if the circumstances warranted it, it would be removed. It should have been considered at this time, and this ten per cent. cut ought to have been restored. Sir, it really causes a great deal of discontent and it really affects the Government servants seriously; and, in order to see that they are not affected in that way, I submit that this whole cut should soon be restored.

Then, Sir, coming to the question of how to manipulate the Budget, the point is that "where there is a will, there is a way". But I must suggest that we have been crying since a very long time that the remedy lies in your hands by the curtailment in the number of the topheavy officers of

the Government. Sir, if the appointments of a few topheavy officers, drawing fat salaries, are curtailed then there will be a way out to some extent.

Sir Cowasji Jehangir: May I know which part of the top is the heaviest? (Laughter.)

Mr. Lalchand Navalrai: So, Sir, I submit that that is one way and there are several other ways too by which the Budget can be balanced. I submit that the Finance Member should try and get a few more feathers in his cap before he goes (Laughter) and give the much-needed relief on these three points.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): Sir, some of my friends here have said before me that it is very difficult for us to criticize this Budget or to speak about its merits and demerits in the short time which we have had at our disposal, and I agree with them. There are only a few points I would like to urge before this House and I would like to explain that the hopes which the Finance Member had expressed last year in this House have not been fulfilled and that he himself was very much disappointed. At the same time I am also prepared to show that the claim that he has advanced that his policy has worked through a period of quite unexampled difficulty without disaster and that at the end of these two years "we find ourselves with greatly improved public credit" cannot be substantiated. Sir, he says, "we find ourselves with greatly improved public credit, with greatly strengthened resources and with the freedom and security of private trade unimpaired". Sir, it is this passage in which he claims that it is due to his policy that these results have been brought about and I take strong objection to it. Sir, he also says that owing to the past conditions and his handling of the Budget, the finances of India have improved public credit. If by "public credit" he means that the Government of India's own credit has been improved, that the credit of Government securities has been improved, that the credit of mill shares of the capitalists has been improved, that the credits of sugar shares have improved and, with that, the prices of the shares have improved, I may agree. If by saying that "credits have improved" he only means that the prices have gone up and that the sugar shares, for instance, are now at a premium in the market, that may be true, but that does not really mean improvement of the credit of the public in India, or public credit generally.

Mr. F. E. James (Madras: European): He does not really mean that.

Mr. Muhammad Azhar Ali: My submission is that the Government might have improved their credit, that their Treasury Bills might command a higher value in the market, but, Sir, I ask, how does that affect the credit of the people at large of this country? How has the rise of these mill shares affected the people of India? Only a few people, who have invested their money in the sugar factories or a few people who have invested their money in the mill shares, might have improved their credit, or they might have reaped some benefit, but we have got to see to the millions of the Indians who are at present without even a loin cloth and without bread twice a day.

[Mr. Muhammad Azhar Ali.]

Sir, we find that even landlords have no money to pay their revenues; the tenants have no money to pay their rents; the prices of articles have gone down; and the tenants do not find good markets for their produce. Now, Sir, even if you have raised the Government of India's credit, how does that affect the public of India and how does the ryot benefit by it? Sir, it may be that you may be getting more money by floating your loans, but is it within the power of the landlords of India even to mortgage their lands or within the power of the ryot to go to the Bania or Mahajan to get more money on his land? I submit, it is absolutely impossible; Sir, I know of cases in my own Province at least where big landlords stand at the threshold of the Imperial Bank of India, of the Allahabad Bank and of the National Bank and other Banks and they want to mortgage their property for the payment of their revenues to the Government, but these Banks refuse their requests flatly. Sir, remember that even if your own credit is very high, nevertheless your people's credit, or public credit, is bad. You may turn the public credit to your own advantage and thus your own credit may rise, but that does not necessarily mean that the public credit, as I interpret it, has improved. On the contrary, I say the public credit has absolutely gone down in the sense in which I have explained it. (Hear, hear.) I admit that the Government of India's credit stands at a premium even in Europe; but how is the credit of the people of India standing at present? Further on, my Honourable friend says "with the freedom and security of private trade unimpaired". Sir, here I am glad I do not find the word "public" used, but I find the words "private trade" used; but I ask, how is the word "public" not used there? Now, you have admitted in this very Budget speech of yours that the trade conditions in India are not good. If that is the position and if you admit that, and you also remember that the prices of commodities have gone down, that Japan is dumping its articles upon India and that the people of India cannot export just as they did before, and when you remember that our imports even have gone down, I ask, how can you say that the private trade of India is flourishing? That is an important question.

Sir, I find that even in villages and cities—if the Government officials take the trouble of going and seeing the villages and studying the state of trade in the villages—they will know it very well that there is absolutely no trade in grain or other commodities at prices anywhere near those which they fetched before and that even Swadeshi articles are not sold so very cheap as they used to be sold before. It is one of the complaints of the people that even the price of Swadeshi articles has gone up. How can you say then that the trade of India is not impaired and even private trade is not impaired? Further on, in paragraphs 14 and 29, I find the Honourable the Finance Member says:

"In the first place the results as regards imports combined with the figures of Indian production of such articles as salt and kerosene and cotton piece-goods seem to reinforce one of the points which I emphasised in my speech last year—namely, the extraordinary power of resistance, in spite of diminished purchasing power, which India shows in maintaining the consumption of certain standard necessities of the masses."

Sir, we may take pride and exult in this House and say that the extraordinary power of resistance in maintaining the consumption of certain standard necessities of the masses is very good. But, Sir, what is this

extraordinary power of resistance when people are famished, trade has gone down, the pay of Government servants has been cut and the men in the street are famishing? How can you, in these circumstances, say that the power of resistance of the people is very strong? I submit that when a man is dying of hunger, it cannot be said that a man's power of resistance is very strong, but it is rather worse than death when they live and famish in this land of theirs.

Sir, there is another point and that is about the stamp duty which Government are going to impose on cheques. So far as co-operative banking is concerned, Government have always tried their best to help these banks in India, although it is a provincial transferred subject now. Government wanted that banking should go on in small villages and small towns and they should have co-operative banks or branches of other kinds of banks. If this stamp duty is imposed, the co-operative banks will certainly find it very difficult to advance their business. If the poor people, who put their money in these co-operative banks or in the post office banks, are given cheques, it will be very difficult for them to do their business easily, rather it will be ruinous for these people to pay stamp duty even for their cheques. It impedes the easy circulation of money as is contemplated by co-operative banking.

Sir, the Finance Member says in paragraph 13: "Another striking example of decline is the case of vehicles" and, so, further, on pages 4, 5 and 6 of his speech, we find that everywhere there is some sort of decline. If the poor people are affected by this financial condition, I submit that even capitalists are affected and they are affected to a large extent, they are not able to buy motor cars and they cannot run the buses; even the Railways of the country are contemplating their ruination and are prepared to compete with them. So the rich people also have been drained and they cannot buy motor cars or invest their money in profitable business. The fact is that we have drained the reserve of the masses of the people.

Sir, I do not stand here to claim to be a financier or an expert on the subject of gold export and other items. But this much I can say and say very safely that the poor people have had to send their gold out of their homes only and mostly for the payment of rents and revenue. Several landlords on my side of the Province have had to do this, and by that I mean that it is the masses and the reserves of the masses which they kept for ages as heirlooms which had to be disposed of in order to pay the Government revenue or the taxes. Unless you can lower the taxes of the people, unless you can keep some reserve in their houses, unless you can get good prices for their commodities, it will not be a good financial condition for the present India, and Indians cannot bless this present Budget.

Mr. S. G. Jog (Berar Representative): Sir, I cannot congratulate the Finance Member on his last Budget speech for reasons which I will declare later on. Generally, when placing his Budget before the House he says he is giving a sort of picture, and in this picture we generally find that some parts are good and some parts are bad. And at any rate there are some good parts in that picture on which we can get an opportunity of congratulating him and, at the same time, we might overlook the other defects in that picture. That idea in his last Budget speech he has entirely dropped

[Mr. S. G. Jog.]

and he has now come before the House with a story. The Finance Member probably thinks that as he is at the end of his career, and this is his last Budget speech, he can develop himself into a story-teller. Probably next year he will have no opportunity of giving us a story. But if he develops this habit of giving good stories, I for one would like to be a listener to his stories.

Sir, I thought that in these comments on the general discussion one should restrict himself to a few observations which will be pertinent to the proposals made,—the revenue side, the expenditure side and the taxation proposals. But now I find that my Honourable friend, Mr. Lalchand Navalrai, has brought in points of provincial grievances. Mr. Lalchand Navalrai had a grievance about the province which he represents, namely, Sind. As compared to me I think his grievance is quite insignificant. Just as the Finance Member has presented his last Budget this time, I may also tell this House that probably this is my last speech on the Budget in this House. You know, Sir, how the Berar question is being handled by Government for the last two years. I have been repeating question after question every time, and each time the spokesman of Government, probably the Foreign Secretary, gives the same story,—like the Finance Member he is also fond of telling stories,—and says that he is not prepared to make a statement. The last time I made a desperate attempt and the same thing was told to me and to the House that the Foreign Secretary was not prepared to make any statement except that negotiations were going on on that point and that, probably after the negotiations had been concluded, the result would be communicated. This is the state of things of my Province. Am I not here in this House to represent the grievances of my Province, to get replies to my questions and to let my constituency know as to what the position is? What is my position? I am entirely in the dark as to what is going on. I cannot give any information to the constituents, and the Government of India are not helping me in any way. In this predicament I am, and, as I have indicated, probably it may be my last speech on the General Budget. It is doubtful whether my Province should have any representation. It is a very shocking thing. But since we are entirely kept in the dark, the prospect is not at all bright. This is the grievance which I have. From this provincial grievance I would like to turn to the entire Budget.

The Finance Member in his speech has already said that the budgetary plan he had announced has not been of a nature to stir enthusiasm. He has made a confession. He gave in the last two years a promise that next year we will have a very good Budget. Every time he has placed before us a pessimistic Budget and given us hope that the next Budget would be a good one. We have been living in the hope that a better and brighter Budget will be placed before the House, but even this year he brought the same old story. He has himself shown that he has not been able to stir up enthusiasm in the House—and I think there is sufficient indication in the House itself that speakers have to be stirred up to rise on their legs and keep the House going on, so that we may not lose another day.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Wait till tomorrow.

Mr. S. G. Jog: Let us hope so. In fact I find that the Honourable the Finance Member, by delivering a speech of nearly 40 pages, took unnecessarily the time of this House when there was absolutely no change either this way or that way, and if only he had come to this House and said "Well, gentlemen, you are as you were last year", I think that would have been quite enough for us.

Coming to the position as regards the salaries, it was expected of the Finance Member that, even if he would not do anything, at least he would not be partial; even on the side of taxation and on other things, he would be almost equitable in giving relief to all concerned. In the last two or three years, the general public, the taxpayer, as well as the salaried people, they have all contributed towards helping this national crisis, but when he finds that there is slight improvement, his first helping hand goes in restoring the cut of five per cent. There is no doubt that he should naturally have a soft corner for the order of service which he represents and we all know that maxim that self-help is the best help. The surplus which the Honourable the Finance Member has been able to get this year,—does he know, out of what has he got this? What was the taxation limit in the income-tax? Was it not reduced from Rs. 2,000 to Rs. 1,000, and is it not on that account that we have been able to get this surplus Budget? When you have got your surplus Budget, is it not your first duty to give relief to those people who helped you in time of difficulty, and, instead of doing that, the Finance Member has shown a partiality towards one class, at the same time ignoring those persons who helped the Finance Member in the nick of time and saved the equilibrium. I for one have no grievance against the salaried hands. I have to fight for them, and my sympathy really goes towards them, but, at the same time, the Finance Member must bear in mind that in the surplus Budget there are other parties whose grievances he should have considered by giving some partial relief at least.

I would like to make a constructive suggestion to the Finance Member that last year the incidence of taxation was brought down from Rs. 2,000 to Rs. 1,000. This year at least I expected that it would be brought down from Rs. 2,000 to Rs. 1,500 and giving a partial relief to those who have an income of Rs. 1,500. If the Honourable the Finance Member takes up my suggestion, I think the charge which I have laid against him about partiality will be removed and will give an encouragement to the taxpayer. I hope that when the Budget position grows better, he will consider this suggestion, but the position does not seem to me to be at all bright. What he has said in his speech as regards the future prospects I will read to the House:

"What we hope is that conditions will so improve during the next year that it will be possible not merely to avoid retracing the step now taken, but to take further steps towards restoring the full pay and, after that, making a start towards reducing the burden of taxation. Beyond an expression of such hope, it will be rash to go."

He is very cautious, but, in being cautious, he has given a sort of promise that, if the finances improve, he will not take care of the taxpayers first, but his heart will go first to the salaried people; their full pay must be attended to first and, if there is any surplus, then the taxpayers' grievances will be considered. And so this will go on not only for this year, but also in future years. To my mind this position is extremely unsound and is not worthy of a Finance Member of his reputation and fame.

1506

LEGISLATIVE ASSEMBLY.

[2ND MARCH 1933.]

[Mr. S. G. Jog.]

As regards the tax on cheques, he says that this has been re-imposed at the instance of the Provincial Governments. It was very recently in the year 1927 or so that this stamp duty was removed in order to encourage the habit of dealing with what are known as negotiable instruments. He suggests that a trial has been given and it has had no effect whatsoever. But I must say that a few years are not a sufficient period to judge whether it has had a fair trial. I always thought that the Finance Member was above the influence of these Provincial Governments and that he exercised his discretion and was not swayed by their influence. He should have thought about it himself and he should not have fallen a victim to their insistent demand. By this restoration of the cut, he has certainly embarrassed the position of some Local Governments also. I have seen the Budget of the Central Provinces Government, and that Government up till now were jubilant that they had a certain surplus Budget; but when the bombshell was thrown, the Central Provinces Government were in a fix and their surplus Budget had to be converted into a deficit Budget on account of the last moment decision of the Finance Member to restore this cut. But there is one point of relief in what the Finance Member has said as regards the Provinces. Dealing with the partial restoration in salaries of the services, he made the following important announcement:

"If the financial results of the year prove that it is possible, we intend in due course to put before the Legislature proposals that, in the case of Provincial Governments that can satisfy us that they are in unavoidable deficit, special grants shall be made to them representing the amount collected during 1933-34 from the emergency income-tax increases now to be levied for the first time on the salaries of such of their officials as are still subjected to a cut in pay."

So this will be an additional thing that will come to the Provinces asking for help from the Government of India.

As regards the commercial departments, we had enough discussions in the Railway Budget discussion and we had to hear a hurried description of the management of the Railways

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member has got just one minute more.

Mr. S. G. Jog: As regards the other commercial department, the Posts and Telegraphs, we hear the same tale: the Department has been mismanaged with the result that there is a fall in revenue and still the Finance Member not only maintains the same scale of expenditure, but increased the expenditure in that Department. I for one cannot understand how long they can go on with this state of things. Is it not necessary to take stock of the whole thing now? It is no use deceiving ourselves and deceiving the House by saying that all is well out in the country. I have moved in the country and I know the situation of the people: I know how the agriculturist is suffering and how the small traders are suffering, and, under these circumstances, even if the Finance Member presents an optimistic Budget, I for one am not prepared to take that view. The country's future is not only sad, but there are no prospects of improvement and I would like to give my friend on this last Budget a piece of friendly advice: that he must take his courage in both hands and try and find out bold measures; so long as he does not do that, he will not benefit the country; we must have recourse to bold measures. This patched up affair is no good. With these words, I close.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, the Honourable the Finance Member has very truly said that, viewed merely as a matter of public finance, India's position is a satisfactory one. I fully agree with him that if we judge India's position merely from the point of view of public finance, perhaps he could not place a much better Budget. But I question the fundamental position. What is India's position? Do the people of India live for the Government or the Government for the people of India? That is the main question. Circumstanced as we are, every initiative not only about big constitutional issues but on financial matters as well lies entirely with the Government. It is considered that the Government have done their duty if they can produce a balanced Budget or a little surplus in it. The bigger questions of unemployment, the questions of trade depression and all other bigger issues are no part of the consideration of the Government. So, I say, from the narrow point of view, this Budget is a satisfactory one; but if we look to the interests of the people of India as a whole and their present condition, then there is nothing for congratulation. I hope this is not the last Budget of the Honourable Sir George Schuster. Let him stay here for longer years; we have full confidence in his powers and in his capabilities; but we know under the present system how he is bound by several considerations which are not always conducive to India's best interests. If he tries to take away the Lee Concessions—I do not say that he was trying for it,—but even if he tried his best, he will fail to secure it. I know if he felt that it was unjust to have recourse to the restoration of the five per cent. cut this year which militates against balancing most of the Provincial Budgets, yet the interest of the services will weigh much stronger with the Government at home who are really responsible for the government of India. So I was stressing the point that if, at any time, India gets some sort of responsible Government, it will be a good day for India to have a financial expert of the capacity and acuteness,—to handle the finances of this country,—like my friend, Sir George Schuster. Then alone, unhampered by other considerations, if he is to look only to financial considerations, he will be able to do full justice to India.

Now, Sir, as regards the present Budget, I think the Honourable the Finance Member will excuse me if I confess at the outset that I had not the time even to go over the pages of the huge sets of Budget papers that were presented to us. Government have been cruel to the Members on this side, because, even on the Budget day, we had to work for passing the Supplementary Railway Demands, and then we had to hear attentively the very lucid explanations from the Finance Member for full two hours. It was a great strain on him, no doubt, but it was also a great strain on those of us who were on this side to listen attentively for more than 125 minutes. The next day was a non-official Resolution day, and we had to sit till 5 p.m. Now, Government, without any consideration, expects Honourable Members of this House to offer their criticisms on the Budget within such a short time and without giving them any opportunity or sufficient time to study the papers. Of course, on the Government side Members can sleep or stay away from the House as there is no question of voting, while Government expect Members on this side to offer their proper and full criticism on the Budget which is full of facts and figures. We are grateful to the Honourable the Finance Member for furnishing us with so much information, but his exposition of the financial position requires very minute consideration from Members

[Mr. S. C. Mitra.]

on this side of the House. That was the reason why there was some hesitation on the part of Honourable Members on this side of the House to rise and make their observations today. If I am to continue, I hope the Finance Member will excuse me if I take up stray points and discuss them, and it will not be a very coherent speech either.

The first thing I observe in the Budget speech is the great anxiety shown by Government for the salaried Government servants. Is it the main intention of the Government, I ask, to safeguard only the rights and privileges of the Government servants, to look after their interests, and then, at leisure, to consider about the surcharges, the foreign trade, and think of the income-tax-payers, and not at all about the poor people at large, because the Finance Member has said nothing as to the period within which the poor consumers and agriculturists can expect any remission of taxation. The attention of the Government should first be directed to alleviate the miseries of the starving millions, and not, as was suggested by my friend, Mr. Lalechand Navalrai, to the restoration of the cuts in full, and place the case of these poor people last.

As regards the restoration of cuts, I can say that it was undertaken not so much for the poor officers of the Government of India, but in the interests of the Civil Service

Sir Cowasji Jehangir (Bombay City: Non-Muhammadian Urban): Mr. Chairman, I would like to make a suggestion for your kind consideration and for the consideration of the Honourable the Finance Member, and that is that we adjourn now at half past four, and we allow Mr. Mitra to continue tomorrow morning. I feel we should give him a little more time to study the papers that were placed before us. The Honourable the Finance Member will realise that it is not an easy matter to study all the volumes containing facts and figures which he has been kind enough to place before us. It is not often we get an opportunity of considering such useful facts and figures, and, therefore, I think we might adjourn now and give Mr. Mitra an opportunity to speak tomorrow morning.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): It is entirely in the discretion of the Chair as to when the House is to be adjourned; but in this particular case the Chair fully sympathises with the complaint of the Non-Official Members that they had practically no time or any time to study the Budget, and if it is the general wish of the House, the Chair will adjourn the House now to meet again at 11 o'clock tomorrow.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadian Rural): Sir, I strongly protest against the suggestion made just now for adjourning this discussion, especially as several Members of my Party had delivered their speeches under the same handicap. I think, Sir, you are pressed to show favouritism at the last moment to a particular party. If Honourable Members were under the handicap just mentioned, they should have raised the point in the morning, they should have protested against it in the morning, and now if I protest against this suggestion being accepted, I feel, otherwise, I will be grossly unfair to Members of my party

Lieut.-Colonel Sir Henry Gidney: Sir, I rise to support the motion just made by my friend, Sir Cowasji Jehangir, and I strongly protest against the suggestion made by the Deputy Leader of the Nationalist Party.

Dr. Ziauddin Ahmad: May I inquire whether there are any Members in the Nationalist Party who wish to speak today?

Mr. C. S. Ranga Iyer: Yes, I would like to speak myself.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): It is entirely within the discretion of the Chair as to when the House should be adjourned. I note the protest of the Deputy Leader of the Nationalist Party, but as I said, I fully sympathise with the handicap of Non-Official Members, and, in view of that, I declare that the House stands adjourned till to-morrow morning at Eleven O'clock.

The Assembly then adjourned till Eleven of the Clock on Friday, the 3rd March, 1933.

LEGISLATIVE ASSEMBLY.

Friday, 3rd March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

QUESTIONS AND ANSWERS.

REPORT OF THE CAPITATION RATE TRIBUNAL.

622. ***Mr. B. Sitaramaraju:** (a) Will Government be pleased to state whether the Capitation Rate Tribunal has concluded its sittings and submitted its report?

(b) If the Capitation Rate Tribunal has submitted its report, will Government please state whether that report will be made available to the Members of the Legislative Assembly now?

(c) Will the Legislative Assembly be given an opportunity to discuss the report of the Tribunal?

Mr. G. R. F. Tottenham: (a) Yes, Sir. The report of the Tribunal was presented to the Prime Minister on the 17th January last.

(b) and (c). The nature of much of the material placed before the Capitation Rate Tribunal necessitates careful consideration by His Majesty's Government and the Government of India before the question of the publication of the report can be decided. The whole matter is receiving careful consideration, but no indication can yet be given of the date on which a decision will be reached.

Diwan Bahadur A. Ramaswami Mudaliar: Apart from the question of the decision by His Majesty's Government, what is the nature of the objection to the publication of the report itself, a report by three judicial officers?

Mr. G. R. F. Tottenham: As I have said in my answer to the question, the material placed before the Tribunal, which is referred to in the report, requires careful consideration by His Majesty's Government and the Government of India before the question of its publication can be decided.

Mr. B. V. Jadhav: Does the Honourable the Army Secretary mean to say that the material placed before the Committee is confidential?

Mr. G. R. F. Tottenham: Of course that is a matter of opinion. In fact, it is the matter which is under consideration at the present moment.

Mr. B. V. Jadhav: Will that material be published for the information of this House?

Mr. G. R. F. Tottenham: I cannot give any further information at the present moment, but I will make an announcement as soon as possible.

Mr. B. Das: May I inquire whether the views of the Government of India, which are in agreement with the views of the non-officials, were well represented by the two advocates that represented India, and is the Army Secretary satisfied that India's case was well put.

Mr. G. R. F. Tottenham: I am quite satisfied on that point.

Mr. B. Das: Has the Honourable Member gained his point?

Mr. G. R. F. Tottenham: The Honourable Member may draw such conclusions as he wishes.

Diwan Bahadur A. Ramaswami Mudaliar: May I ask the Army Secretary whether he will be prepared to communicate to His Majesty's Government that it will be neither fair to His Majesty's Government nor to India if the decision of the Tribunal is not published in full, but only the decision of the Government thereon is published?

Mr. G. R. F. Tottenham: I can assure my Honourable friend that his views and the views of other Honourable Members will be fully represented to His Majesty's Government on that point.

IMPROVEMENT OF THE CONDITION OF SERVICE APPLICABLE TO GOVERNMENT PEONS EMPLOYED IN BOMBAY.

623. ***Mr. B. V. Jadhav:** (a) Will Government be pleased to state whether they have received a petition from the Government Peons' Union, Bombay, praying to them to improve the conditions of service applicable to this class employed in Bombay?

(b) Are the Government of India aware that by Resolution No. 1906, passed in April, 1928, the Government of Bombay have provided that peons, who retire after completing 30 years' qualifying service, would get pension equal to half their average emoluments?

(c) Have the Government of India passed any orders on the petition mentioned in part (a)? If so, will Government place a copy of their orders on the table of the House?

(d) If the reply to part (c) be in the negative, are Government prepared to consider the question whether servants doing the same work in the same place for two Governments should not get the same remuneration and the same pension?

The Honourable Sir George Schuster: (a) Petitions from the Government Peons' Union, Bombay, have recently been received, asking that a Resolution on this subject should be moved and passed in the Legislature.

(b) Yes.

(c) No.

(d) The Government of Bombay alone has made pension rules of its own, differing in substance from those of the Civil Service Regulations. The Central Government has servants in every Province and cannot contemplate making changes in its pension rules limited in application to its servants in one particular Province.

INTEREST IN THE IMPERIAL BANK OF INDIA REFUSED TO BE TAKEN BY MUSLIMS AND MUSLIM TRUSTS.

624. ***Shaikh Sadiq Hasan:** Will Government please state (a) how much interest payable to Muslims and Muslim Trusts was in the Imperial Banks of India during 1931-32 which they refused to take on religious grounds, and (b) how it was utilised?

The Honourable Sir George Schuster: Government regret that they have no information.

Khan Bahadur Hajee Wajihuddin: Will Government be pleased to make an inquiry and get the information?

The Honourable Sir George Schuster: I would remind the Honourable Member that the Imperial Bank is not a Government institution and Government must be very careful in using its position to try and force the Imperial Bank to give information on points of this kind.

Dr. Ziauddin Ahmad: Though it is not a Government institution, it is under the protection of the Government and it is only asking for information, and not taking any control over the administration. Will the Government ask for this information?

The Honourable Sir George Schuster: The Government are always very careful not to interfere with the independent position of the Imperial Bank of India.

Dr. Ziauddin Ahmad: Asking for information is not interfering with independence. That is an entirely different matter.

Mr. Lalchand Navalrai: Does the Honourable Member mean that the Imperial Bank will object to giving this information?

The Honourable Sir George Schuster: I do not know that I have got any evidence of the actual attitude of the Imperial Bank on this particular question.

Mr. Lalchand Navalrai: Will the Honourable Member therefore find that out?

The Honourable Sir George Schuster: I should be pleased to find that out.

Sir Leslie Hudson: Will the Imperial Bank give such information to an ordinary individual?

The Honourable Sir George Schuster: I think it is extremely doubtful.

Dr. Ziauddin Ahmad: What is the other method open to us in this matter? The Imperial Bank is maintained by our money and if the Government withdraw their support, the Imperial Bank cannot exist. In view of that fact, will the Honourable Member tell us what is the other method for us to get this information?

The Honourable Sir George Schuster: I am not quite sure that I followed the Honourable Member's question. I must of course dissent from his original premise that the Imperial Bank is maintained by Government. The Imperial Bank renders certain services to the Government and receives for those services no more than the ordinary commercial remuneration. As regards the question of a method for obtaining this information, I would put it to the Honourable Member that the information is not of a very strikingly important kind and a Bank, in discharge of its duties, must be under some limitations as regards the information it can supply in relation to the affairs of particular clients.

Dr. Ziauddin Ahmad: Since there are certain persons who refuse to take money in the shape of interest, they would be willing to give this interest to charitable purposes. Is there any means of getting this information, because this money which really belongs to the Muhammadans could be utilised for charitable purposes?

The Honourable Sir Brojendra Mitter: There is a recognised method of dealing with this subject. That is known as originating summons. By means of an originating summons, you can get the necessary relief.

CORRESPONDENCE BETWEEN H. E. THE VICEROY AND MR. GANDHI PRECEDING THE LAUNCHING OF THE CIVIL DISOBEDIENCE MOVEMENT.

625. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that Mr. Gandhi, on landing at Bombay on the 28th December, 1931, sent a telegram to H. E. the Viceroy on the 29th December, 1931?

(b) Is it a fact that the reply was that Mr. Gandhi could see His Excellency only if he agreed not to discuss the Ordinances or the repressive measures?

(c) Is it a fact that the rule of repression and Ordinances in the Frontier had begun before the return of Mr. Gandhi from the Round Table Conference?

The Honourable Sir Harry Haig: (a) and (b). I would refer the Honourable Member to the correspondence which passed between His Excellency the Viceroy and Mr. Gandhi immediately preceding the launching of the present civil disobedience movement, which was published in January, 1932.

(c) I would refer the Honourable Member to the statement issued by the Governor General in Council on the 4th January, 1932, and the statements issued by the Chief Commissioner of the North-West Frontier Province on the 24th and 30th of December, 1931, which were laid on the table in reply to Kunwar Hajee Ismail Ali Khan's question No. 417 on the 22nd February, 1932. These statements explain the situation in the North-West Frontier Province which necessitated the action taken.

PROTECTION TO THE GLASS INDUSTRY.

626. ***Mr. Gaya Prasad Singh:** (a) Will Government kindly state whether the Tariff Board has since submitted the report on the question of protection to the glass industry in accordance with the Commerce Department Resolution No. 453-7 (2), dated the 20th October, 1931? If so, when?

(b) Will Government kindly explain the cause for delaying the recommendations?

(c) Have Government received representations from individuals and commercial bodies? If so, from whom?

(d) Are Government aware of the dumping of foreign glass goods on the Indian market, and are they also aware that the delay in the grant of protection is aggravating the condition of the Indian manufacturers?

The Honourable Sir Joseph Bhole: I would invite the attention of the Honourable Member to the replies given to Lala Rameshwar Prasad Bagla's questions Nos. 772, 773 and 774 on the 26th September, 1932, and to Bhai Parma Nand's questions Nos. 869 and 870 on the 7th November, 1932, to which I have nothing to add.

Mr. B. Das: Is it a fact that the Honourable the Commerce Member is not taking any action on the report of the Tariff Board on the glass industry as the representatives of the glass industry are not as vociferous as the Bombay millowners and their millionaire beggars in Delhi?

The Honourable Sir Joseph Bhole: I can assure my Honourable friend that that is not the case.

ESTABLISHMENT OF A CENTRAL INDUSTRIAL BANK IN INDIA.

627. ***Mr. B. Das** (on behalf of Lala Rameshwar Prasad Bagla): (a) Are Government aware that there is a pressing need for Industrial Banks throughout the country?

(b) Will Government please state if the Indian Industrial Commission of 1916-18 recommended the establishment of a Central Industrial Bank in India?

(c) If the reply to part (b) be in the affirmative, will Government please state if an investigation into the question of establishing a Central Industrial Bank, as proposed by the Indian Industrial Commission, was ever made by them in the past? If so, when?

(d) Are Government aware that Industrial Banks have played a very important part in the development of industries in Japan and Germany?

(e) Are Government prepared to consider the desirability of instituting an early inquiry into the question of establishing or supporting the establishment of Industrial Banks throughout the country?

The Honourable Sir George Schuster: (a) This is a matter of opinion.

(b) Yes. This is a matter in which it is not possible to give a short answer.

(c) The question was examined by the Provincial and Central Banking Enquiry Committees in 1929-1931. The attention of the Honourable Member is invited to the statement laid on the table of the House on the 30th September, 1932, showing the action taken on the various recommendations of that Committee.

(d) Yes.

(e) In view of the recent enquiries by the Central and Provincial Banking Committees, Government do not feel that any further enquiry is called for.

Dr. Ziauddin Ahmad: May I put a supplementary question? In reply to part (a) of the question, the Honourable Member said that this was a matter of opinion. Then do I conclude from this that the Government do not consider the establishment of this Bank to be a pressing need?

The Honourable Sir George Schuster: My Honourable friend has quoted the first part of my reply. In the second part I said that this is a matter on which it is not possible to give a short answer,—because it is very difficult for me to give a short answer which will not be misleading. My attitude would be that any development of sound banking in a country like India would be of great advantage to India.

Dr. Ziauddin Ahmad: I thought the recommendation of the Commission was very definite about this point and that, therefore, there was no room for any difference of opinion or for saying that it was a matter of opinion.

PAY OF CLERKS OF THE INDIAN ARMY SERVICE CORPS.

628. ***Bhai Parma Nand:** Arising out of the answer given by Government to starred question No. 41(b)(i), put by me on the 26th January, 1932, will Government be pleased to state:

- (a) whether it is not a fact that none of the serving clerks of the I. A. S. C. were recruited direct into the upper division (not intermediate division) as introduced by A. I. I. No. 863 of 1923, nor have any been promoted from lower to upper division before the age of 31;
- (b) if reply to part (a) above be in the affirmative, whether it is a fact that:
 - (i) clerks are normally recruited in the lower division [*vide* answer given to question No. 41(a)(ii) put by me in January, 1932 Session];
 - (ii) the seniormost clerk on the All-India list (Mr. D. D. Deputy) could not attain more than Rs. 265 on retirement at the age of 55; and
 - (iii) it is absolutely impossible for serving clerks of the Sy. and A. T. Branch of the I. A. S. C. to attain (in the normal course) the maximum of Rs. 375 laid down in A. I. I. No. 863 of 1923?

Mr. G. R. F. Tottenham: With your permission, Sir, I will answer questions Nos. 628 to 632 together.

The points raised by the Honourable Member are being examined and a reply will be laid on the table in due course.

PAY OF CLERKS OF THE INDIAN ARMY SERVICE CORPS.

†629. ***Bhai Parma Nand:** (a) Will the Government of India be pleased to state:

- (i) whether before the introduction of the present grading, the maximum rate of pay laid down for clerks of the I. A. S. C. was Rs. 360 (including Rs. 60 being the increase sanctioned in A. I. I. No. 50 of 1921 and subsequently treated as pay proper for all purposes, *vide* A. I. I. No. 518 of 1921);

†For answer to this question, see answer to question No. 628.

- (ii) whether the above maximum of Rs. 360 was actually attained by a certain proportion of clerks before retirement;
- (iii) whether it is a fact that the option of retaining the old rates of pay on the promulgation of A. I. I. No. 863 of 1923 was not given to the then serving clerks; and
- (iv) whether the object of introducing the present rates of pay (*vide* A. I. I. No. 863 of 1923) was to give clerks of the I. A. S. C. better rates commensurate with the increased cost of living caused by the Great War, as was done in the case of all other departments and whether with this object in view, the increase referred to in (a) above, officiating, personal and all other allowances were all merged in the revised rates?

(b) If replies to part (a) (i) (ii) (iii) (iv) above be in the affirmative, will the Government of India state whether in view of the instance quoted by Government, *vide* answer to question No. 41(b)(iii) put by me in January 1932 Session, the professed object of Government has been fulfilled and whether clerks who were previous to the introduction of A. I. I. No. 863 of 1923, retiring on Rs. 360 cannot now go beyond Rs. 265 or thereabout and are thus incurring large pecuniary loss both in respect of pay and pension?

PAY OF CLERKS OF THE INDIAN ARMY SERVICE CORPS.

†630. ***Bhai Parma Nand:** (a) Are the Government of India aware of the acute discontent prevailing amongst the I. S. P. of the I. A. S. C. as voiced from time to time through their recognised association, personal and official representations, the latest being the proceedings of their last annual conference as published in the Conference Number of their Journal for December 1932—January 1933?

(b) Will the Government of India be pleased to state whether they contemplate seriously considering the question of redressing, at a very early date, the long outstanding grievance of this class of personnel in the Indian Army?

(c) Are Government aware that the I. S. P. of the I. A. S. C. (Sy. & A. T. Branch) are not asking for any increase in pay but are simply praying for the rectification of the faulty grading introduced by A. I. I. No. 863 of 1923 so as to make the maximum of Rs. 375, to which Government are committed by the above A. I. I., attainable by qualified clerks?

GRANT OF PENSION TO CHECKERS OF THE INDIAN ARMY SERVICE CORPS.

†631. ***Bhai Parma Nand:** Will the Government of India be pleased to state if the question of grant of pension to checkers of the I. A. S. C. is under consideration and, if so, when a decision in the matter is likely to be arrived at?

PAY OF STORE-KEEPERS OF THE INDIAN ARMY SERVICE CORPS.

†632. ***Bhai Parma Nand:** (a) Arising out of the answer given by Government to starred question No. 41(b)(iii) put by me on the 26th January, 1932, will Government be pleased to state whether they are

†For answer to this question, see answer to question No. 628

aware that barring a very few senior-most Storekeepers (Supply) of the I. A. S. C. on the All-India list, none of the other serving men can attain the maximum of Rs. 140 under the present grading laid down in A. I. I. No. 110 of 1923?

(b) Will Government please state whether it is a fact that the maximum rate of pay laid down for Storekeepers (Supply) of the I. A. S. C. is very low as compared with that laid down for Storekeepers of the M. T. Branch of the I. A. S. C.?

(c) Are Government aware that a memorial on their behalf was submitted by the I. A. S. C. Civilian Association through proper channel in 1929 requesting for the revision of their grading so as to bring them to the level of the M. T. Branch Storekeepers?

(d) If replies to the above be in the affirmative, are Government prepared to consider the desirability of rectifying the present grading of Storekeepers (Supply) so as to bring them in line with the M. T. Branch, and in the meantime, to adjust their grades so as to make the present maximum attainable for serving men?

ASSAULT ON RAILWAY MAIL SERVICE OFFICIALS AND REST HOUSE ATTENDANTS AT DELHI.

633. ***Khan Bahadur Haji Wajihuddin** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to lay on the table a copy of letter No. Ai-85/A., dated the 17th March, 1932, from Mr. N. C. Sen-Gupta of the Postal and R. M. S. Union to the address of the Director-General, Posts and Telegraphs, together with a copy of the reply to it sent by the latter?

(b) Will Government be pleased to state, in detail, the result of their enquiries in respect of each of the 24 officials of the R. M. S. who are the victims of the alleged assault in Delhi?

(c) Will Government be pleased to state the particulars of the R. M. S. officials, who applied for relief in respect of (i) leave, (ii) compensation, (iii) transfer, etc.?

(d) Will Government be pleased to lay on the table copies of the decisions on the said representations?

(e) Will Government be pleased to state whether the periods of absence, necessitated on account of the injuries received by the officials, were treated as ordinary leave and debited to the leave account of the officials?

(f) Will Government be pleased to state whether they propose (i) to commute the leave into disability leave or special casual leave, thus letting the amount of leave, already earned as unaffected, and (ii) to compensate such officials as have actually suffered by remaining under medical treatment?

Sir Thomas Ryan: (a) A copy of Mr. Sen-Gupta's letter to the Director-General together with a copy of the Director-General's reply is placed on the table.

(b) No detailed enquiries in respect of each of the officials concerned were made by the Posts and Telegraphs Department as they were charged with offences which, it is alleged, they had committed as private citizens and not in their official capacity.

(c) (i) and (ii). The officials in question are the following sorters of the Railway Mail Service:

Mr. Ram Sarup I,
Mr. Mangat Ram,
Mr. Sadat Ali,
Mr. Tara Parshad,
Mr. Mohan Lal, II,
Mr. Kifayatulla.

(iii) Government have no information.

(d) Copies of the decisions are placed on the table.

(e) Yes.

(f) No.

Copy of a letter No. A.I.-85/A., dated the 17/19th March, 1932, from Srijut Nirmal Chandra Sen Gupta, B.L., General Secretary, All-India (including Burma) Postal and R. M. S. Union, Delhi, to the Director-General of Posts and Telegraphs, New Delhi.

SUBJECT:—Police raid on the Rest House, near the Delhi Clock Tower, and severe assault on R. M. S. officials and Rest House attendants.

I beg to offer you sincerest thanks on behalf of members of my Union in general and the R. M. S. officials and Rest House attendants in particular who were severely assaulted by the Police on the 13th instant for the promptitude with which you deputed the Senior Deputy Director-General, Mr. J. R. T. Booth, I.C.S., and Assistant Director-General, Rai Bahadur A. K. Mukerjee to make local enquiries on the spot as soon as the matter was reported to you by a deputation of the aggrieved sorters on the next day. I must also thank you sincerely for the sympathy you expressed, in course of the interview you granted me on the 15th instant, for the R. M. S. officials who suffered injuries from the lathi-charge and were molested in other ways by the Police and for the kind assurance you authorised me to communicate to them that you will do everything in your power to protect them.

2. As directed by you, I discussed the matter fully with Rai Bahadur A. K. Mukerjee in the light of the information I had gathered from some of the eye-witnesses and victims of the Police raid by personal enquiry and inspection on the spot on the 14th instant and acquainted him with their viewpoint. It was gratifying to learn from him that after the enquiry both he and Mr. Booth were strongly convinced of the perfect innocence of the R. M. S. officials in the Rest House on the day of occurrence on the alleged charge of throwing brickbats on the police force from the Rest House building and that they took up a strong attitude before the Police authorities and condemned the unwarranted action of the Police in connection with the raid and the assault. As, however, it appeared to me from my conversation with him as well as from my examination of the injured R. M. S. officials that at the time of the enquiry most of the victims were absent from the Rest House under the impression that the enquiry would be conducted elsewhere I suggested to him that a report from me embodying the results of my enquiry might possibly be of some help to the authorities in arriving at conclusions and as he readily approved of the idea I am submitting the following report bearing only on salient points connected with the raid.

3. I visited the Rest House at about 5.30 P.M., on the 14th March, 1932, and was met by about ten sorters and van-peons who were either victims of the Police raid and assault or were eye-witnesses of the incident and by Mr. Mulchand, Inspector, R. M. S., D. I., who was also there for making a personal enquiry. I was shown round and up and down the building which is a four-storied one of which the 2nd, 3rd and fourth storeys are used by R. M. S. officials as rest-house. I saw signs of destruction in all the storeys, viz., shattered door panes, windows and sashes and broken pieces of glass scattered here and there. I was told by eye-witnesses that at about 6 P.M. on the 13th instant when most of the inmates were either living on their *charnois* or preparing to start for the station and the rest house attendants were cooking food or cleansing utensils a posse of police constables

in uniforms, about 40 in number and armed with *lathis* forcibly entered the premises and without giving any warning whatsoever and in spite of being repeatedly told by the victims that they were R. M. S. officials on duty continued to belabour them with *lathis*, kick them mercilessly and abuse them in the filthiest language. This happened in all the three storeys and doors, windows and shashes were smashed by the police *lathis*. Some of them also entered the cook-room for Muslim sorters and assaulted the attendant while he was cooking. The Hindu attendant was assaulted while he was cleansing utensils.

4. I was told that sorters Ali Hussain and Sadat Ali of D-5 Section, sorters Mohanlal and Taraprasad of D-11 Section, Sorter Kifayatullah of J-Division and sorters Kanhyalal and Van-peon Kamalakant of A-10 section as well as Din Mahommed and Mahfuz, Rest House Attendants sustained serious injuries while others received minor injuries from the police assault. I could not meet those R. M. S. officials who were reported to have sustained serious injuries except Munshi Kifayatullah as all of them had left the Rest House. Munshi Kifayatullah whose injuries on the head were treated and bandaged at the Civil Hospital, Delhi described with tearful eyes that he was severely and mercilessly assaulted with *lathi*, kicks and buffets and abused in the filthiest language when he was answering a call of nature preparatory to his departure for the station. Some of those I saw had abrasions, sprains and swellings in various parts of their bodies. I give below a list of the assaulted persons with brief remarks about their injuries :

1. Babu Ram Sarup, Head Sorter D-5 (swelling caused in his right hand which he used in warding off the *lathi* blows aimed at his head).
2. Munshi Ali Hussain, 2nd sorter, D-5 (wrist injured).
3. Babu Mangal Ram, Head Sorter, D-11, (beaten on the shoulder with *lathi*).
4. Munshi Sadat Ali, 2nd sorter, D-11, (serious injury on head and arm which caused profuse bleeding).
5. Babu Murari Lal, Assistant Sorter, D-11, (right leg hurt).
6. Babu Mohanlal, 4th sorter, D-11 (injury on forehead just above the eyes and also on shoulder).
- *7. Babu Taraprasad, Assistant Sorter D-11, (injury on right hand and right hip).
8. Munshi Kifayatullah, Assistant Sorter, J-Division (serious injury on head and right hand temporarily disabled, profuse bleeding).
9. Munshi Md. Usman Khan, head sorter, A-19, (assaulted).
10. Munshi Aftab Ahmed, 2nd sorter, A-19, (assaulted).
11. Munshi Aminuddin, sorter, A-19, (assaulted).
12. Babu Brijmohanlal, head sorter, A-19, (severely assaulted).
13. Babu Tulshiram, 2nd sorter, A-19, (assaulted).
14. Munshi Nasim Haider, sorter, A-19, (assaulted).
15. Babu Kanhya Lal, head sorter, A-10, (sustained serious injuries).
16. Kamalakant, van peon, A-10, (serious injury).
17. Bhawaniprasad, van peon, A-19, (assaulted).
18. Munshi Rahat Ali, sorter, A-3, (assaulted).
19. Munshi Ahmad Hussain, sorter, A-3, (assaulted).
20. Sitaram, van peon, A-3, (assaulted).
21. Rambharosa, van peon, A-3, (assaulted).
22. Budha, Rest House attendant, (sprains).
- *23. Din Mohommed, Rest House attendant, (severely assaulted).
- *24. Mahfuz, Rest House attendant, (assaulted).

5. I was informed that all the above persons except one sorter and two Rest House attendants whose names are marked with asterisks were, after the assault and beating was over, arrested and taken to the *Kotwali* and kept in custody there till about 1 A.M., at night when they were released on surety being given by some of their co-workers. I was also informed that in spite of repeated requests the police authorities refused to allow them to inform you of the incident.

6. An ugly feature of the raid was, as I was told by some of the victims, that Rs. 31-12-0, in all was snatched away from the persons of some sorters while another was robbed of his silver stud as per detail given below :

Babu Ramsarup, Head sorter, D-5—Silver stud.
 Munshi Kifayatullah, Assistant sorter, J-Dn.—Rs. 10.
 Munshi Aftab Ahmed, 2nd sorter A-19,—Rs. 10.
 Babu Tulshiram, 2nd sorter, A-19,—Rs. 8-12-0.
 Munshi Nasim Haider, sorter, A-11,—Rs. 3.

7. I may be permitted to state that my report is based on oral statements made before me and hurriedly jotted down by me in course of my enquiry and as such may not be strictly correct in point of facts. From the meagre report of the incident published in to-day's *Hindustan Times* a typed copy of which is enclosed, I am convinced that I have under-rated rather than over-rated facts. I believe my report to be substantially correct in point of details and I hope that it will at least help the Department in carrying on further investigations and to form conclusions regarding the important issues involved which I shall discuss presently.

8. From the enquiries, I made I am perfectly convinced that the police theory on which it appears the raid and the assault have been justified, viz., that brickbats were thrown on the police force from the Rest House building is not only improbable but entirely incredible. The building is situated at a distance of nearly 200 yds. or more from the Queen Victoria Statue, where the police was stationed at the time and even the strongest man in the world cannot throw brickbats from such a distance. Even if some bricks were detected in the House, as the police authorities appear to have stated to your officers, the fact cannot be accepted as proof of the throwing of brickbats. Everyone knows that bricks are used by Indians for household purposes, viz., construction of hearths, supporting utensil cases, racks and cots and if a search is made in houses occupied by even high Indian officers bricks will be found there. The verandah on the first storey facing the statue is entirely blocked by strong wire-netting and no missiles can be thrown from there. I found a tremendous row of loose new bricks at some distance, from the Rest House stocked between the building and the Queen Victoria Statue evidently for building purposes and the riff-raffs and hooligans who were responsible for the throwing of brickbats on the police, as reported in the *Hindustan Times*, apparently used these bricks as missiles. I was informed that when these people were being chased and roughly handled by the police some of them raised the cry that the brickbats were being thrown from the Rest House building and the infuriated police were caught in by this mischievous, though improbable story and raided the Rest House with results described above. The conduct of the police as evidenced by the details given in my report distinctly proves that they got entirely out of restraint and acted as if they had run amok. Even assuming for the sake of argument that the brickbat theory was correct there was absolutely no justification for the indiscriminate and merciless assaults on public servants on duty and their acts of vandalism as no resistance was offered by their poor victims. They could maintain law and order by simply arresting all the inmates of the house as they practically did after the assault was over.

9. Another point which I would urge for your consideration is that the police as responsible public servants should have sent you intimation and obtained your formal sanction, if not before entering the premises rented and occupied by the Government, at least soon after taking the men in their custody considering they were repeatedly told by their victims that they were Postal officials on duty and in view of your presence at Delhi. Far from doing so they do not appear to have informed you at all and you were kept absolutely in the dark about such an important and sensational event until a deputation of the sorters reported the matter to you on the next day. The conduct of the police in this particular respect also goes to show that they went off their heads and were not acting as responsible public servants should have done.

10. I may assure you that Postal officials in general and R. M. S. officials in particular are entirely devoid of politics. They are keenly alive to their duties and responsibilities and are true to their salt as Government officials. They have proved their sterling loyalty and sense of duty by a faithful discharge of their onerous duties in most difficult and perilous situations quite unaffected by political movements that have long been disturbing the peace of the country. The R. M. S. officials concerned in the present case are most of them elderly men with long services at their credit. It is inconceivable that these men when they were dead-tired by exacting night duties in the running trains or when they were preparing

themselves for the return trips would have either energy or inclination to commit such dastardly crimes as throwing brickbats on the police which would not only render them liable to heavy punishment but also to summary dismissal. They are convulsed with unspeakable grief and feel deeply humiliated by the treatment that they received and at the prospect of being prosecuted on charges in which they had no complicity. They are all poor men and wanting in means to defend themselves properly in case of their prosecution and dread the consequences, in view of the uncertainties of law, of going without a proper defence. My Union, therefore, ventures to suggest that considering all the circumstances, the Department will arrange for their defence in case of their prosecution by efficient lawyers and thus afford them facilities to vindicate their character. My Union also ventures to suggest that in case of their acquittal you will kindly approach the Government for payment of adequate compensation for the bodily injuries and mental anguish and pain they have suffered.

11. I may also be permitted to point out that the place where the Rest House is at present situated has become a danger zone as it is the centre of all political agitation and demonstration and consequently the R. M. S. officials, especially in view of their recent experience, feel it quite unsafe to pass their rest days there. My Union, therefore, respectfully suggests that steps should be taken to shift the Rest House to a suitable building in a quieter locality near the Railway Station as soon as possible.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

From

T. Ryan, Esquire, C.I.E.,
Offg. Director-General of Posts and Telegraphs.

To

The General Secretary,
All-India (including Burma), Postal and R. M. S. Union,
Delhi.

No. 244-IM/32/Police Raid.

Dated Simla, the 21st April, 1932.

Sir,

In reply to your letter No. AI-85-A., dated the 8th April, 1932, regarding the Police Raid on the R. M. S. Rest House near the Delhi Clock Tower, I have the honour to inform you that from reports received it appears that the case is still the subject of official investigation and proceedings, pending the outcome of which it would obviously be impossible for me to commit myself to any view as to which, if any, of the parties concerned were to blame for the unfortunate occurrence of the 13th March.

2. So far as departmental action in the interests of the staff seemed to be called for this was taken immediately, as you have already acknowledged, by the Senior Deputy Director-General and by the Postmaster-General, on the 14th March. Beyond this I regret that—with every sympathy for any member of the staff who may undeservedly have sustained injury or inconvenience—it does not appear possible for me to intervene in a matter which is essentially one between the police and certain departmental employees relating to acts alleged to have been done by them in their capacity of private citizens.

I have the honour to be,
Sir,
Your most obedient servant,
T. RYAN,
Offg. Director-General.

No. 244-IM/32/Police Raid.

Copy forwarded to the Postmaster-General, Punjab and N.-W. F.

T. RYAN,
Offg. Director-General.

Simla;
The 21st April 1932.

Copy of a letter No. Es.-B.-54-6/32, dated the 2nd February, 1933, from the Director-General of Posts and Telegraphs, New Delhi, to the Postmaster-General, Central Circle, Nagpur.

SUBJECT :—Appeal of Mr. Kifayatullah, Sorter, for the grant of disability leave.

I am directed to refer to your letter No. F.-6-23, dated the 19th September, 1932, forwarding an appeal dated the 22nd July 1932 from Mr. Kifayatullah, Sorter, R. M. S., 'J' Division, in which he prays :

- (1) that the leave on average pay for 2 months and 9 days combined with leave on half average pay for 8 days already granted to him be converted into special disability leave, and
- (2) that he be compensated for the loss suffered by him on account of the injuries sustained in the Police Raid on the R. M. S. Rest House at Delhi on the 13th March, 1932.

2. In regard to prayer (1), I am to say that the injury was not received by the appellant in the performance of his official duties. No certificate from a medical board, as required under Fundamental Rule 83 (3) has been submitted by the petitioner. The appellant has already been granted leave on average pay for two months and 9 days and as the leave rules are liberal the Director-General considers that the leave already granted to him will meet the requirements of his case and is unlikely to operate harshly against him.

3. With regard to prayer (2) I am to add that it is not admissible under any rule. In the circumstances the Director-General while fully sympathising with the appellant regrets that in these circumstances, he cannot see his way to accede to either of the appellant's prayer. He may kindly be informed accordingly.

4. The appellant's service book and character sheet are returned herewith.

Copy of a letter No. 244-I.M./F.R./32, dated the 2nd February, 1933, from the Director-General of Posts and Telegraphs, New Delhi, to the Postmaster-General, Punjab and N.-W. F. Circle, Lahore.

SUBJECT :—Question of the granting of special casual leave to certain sorters who were injured in the Police raid on the R. M. S. Rest House at Delhi on the 13th March 1932.

With reference to the correspondence resting with your letter No. Mails-A./G.-97, dated the 22nd November, 1932 on the subject noted above, I am directed to say that the Director-General while fully sympathising with the injured Sorters does not feel that this is a case in which the regular leave granted to them can with retrospective effect be commuted into special casual leave. The sorters have been given leave on full average pay and as the leave rules are liberal the Director-General considers that the leave already granted meets the requirement of the case and is unlikely to operate harshly against any of the officials in question.

A copy is forwarded to the General Secretary, All-India (including Burma) Postal and R. M. S. Union, Delhi, for information in continuation of this office letter No. 244-I.M./F.R./32, dated the 14th December 1932.

PLACING OF CERTAIN CLERKS ON SPECIAL DUTY IN THE OFFICE OF THE
AGENT, NORTH WESTERN RAILWAY.

634. *Khan Bahadur Haji Wajihuddin (on behalf of Seth Haji Abdoola Haroon): (a) Is it a fact that certain clerks were placed on special duty temporarily in the office of the Agent, North Western Railway, to deal with retrenchment work, etc.?

(b) How many posts have been created for this work and for what period?

(c) What extra pay has been given to each of the clerks placed on special duty for retrenchment, etc., and what proportion does it bear to their permanent emoluments?

Mr. P. R. Rau: With your permission, Sir, I will reply to questions Nos. 634 to 637 together. I have called for the information required and will lay a reply on the table in due course.

RE-APPOINTMENT OF RETRENCHED STAFF OF RAILWAYS IN THE INVERSE
ORDER OF THEIR DISCHARGE.

†635. *Khan Bahadur Haji Wajihuddin (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state whether the recommendation of the Court of Enquiry to the effect that reappointment of retrenched staff should be made in the inverse order of their discharge was accepted by Government?

(b) Is it a fact that Abdul Khaliq, a Muslim clerk, was discharged from the Compilation Branch of the office of the Agent, North Western Railway, on the 10th August, 1931?

(c) Is it a fact that Kanshi Ram, a Hindu clerk, of the same office was discharged on the 10th July, 1931?

(d) Is it a fact that Kanshi Ram has been re-appointed in preference to Abdul Khaliq?

(e) Will Government please state what steps they propose to take to see that such injustice is not done to qualified Muslims?

MUSLIM DRAFTSMEN RETRENCHED FROM THE OFFICE OF THE CHIEF
ENGINEER, SURVEY AND CONSTRUCTION, NORTH WESTERN RAILWAY.

†636. *Khan Bahadur Haji Wajihuddin (on behalf of Seth Haji Abdoola Haroon): (a) Is it a fact that Messrs. Abdul Rashid and Mahomed Shafi, senior Muslim draftsmen, retrenched from the office of Chief Engineer, Survey and Construction, North Western Railway, have not yet been re-appointed whereas a junior Hindu draftsman of the same office, named Prabh Dass, has been reappointed in a permanent vacancy?

(b) Are Government satisfied that the Labour Exchange Branch in the North Western Railway is functioning properly in such a manner as to see that Muslim interests are not disregarded in this manner?

†For answer to this question, see answer to question No. 634.

SINDHI HINDUS DISCHARGED FROM THE OFFICE OF THE CHIEF ENGINEER,
SURVEY AND CONSTRUCTION, NORTH WESTERN RAILWAY.

†637. *Khan Bahadur Haji Wajihuddin (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state the total number of Sindhi Hindus discharged from the office of the Chief Engineer, Survey and Construction, during the last economy campaign?

(b) Is it not a fact that most of them were discharged on account of cessation of their work rather than retrenchment?

(c) Will Government be pleased to state if temporary men discharged from an essentially temporary branch like a construction branch are to be treated for the purpose of reappointment as being on the same footing with permanent retrenched staff?

(d) Is it a fact that most of these Sindhis have been reappointed?

(e) Will Government please state whether the Sindhi Hindu clerks of the Construction Branch have been reappointed now strictly in accordance with their turn under rule? If not, why, and who is responsible for that?

RETRENCHMENT OF A CERTAIN JEMADAR FROM THE OFFICE OF THE PUBLIC
SERVICE COMMISSION.

638. *Khan Bahadur Haji Wajihuddin (on behalf of Shaikh Fazal Haq Piracha): (a) Is it a fact that it was decided to retrench a Jemadar from the office of the Public Service Commission in the last Simla Session, and that one Inayat Khan was retrenched in consequence?

(b) Is it a fact that Jemadars' posts in that office are not isolated and that they must be regarded as on one cadre in that office?

(c) Is it a fact that there were available for retrenchment Jemadars both senior and junior to Inayat Khan in age and service, but that Inayat Khan was retrenched in contravention of the rules laid down by the Government of India in this connection?

(d) Is it also a fact that communal proportion (*vis-a-vis* Muslims) has also been disturbed by the retrenchment of Inayat Khan, for the maintenance of which proportion in Government offices, the Government has given unequivocal guarantees to this Assembly?

(e) Are Government prepared to reinstate him and retrench some other Jemadar?

The Honourable Sir Harry Haig: (a) The facts are as stated by the Honourable Member.

(b) and (d). For purposes of retrenchment jemadars and peons have been treated as belonging to one category. As a result of retrenchment, the communal proportion in this category has been slightly disturbed in the office of the Public Service Commission, but I would refer the Honourable Member to my reply to part (a) of question No. 439 on the 21st February, 1933, which shows the exact scope of the orders in regard to retrenchment of personnel.

(c) He was selected for retrenchment as being the least efficient of the jemadars of his class of whom there were men both senior and junior to him. The suggestion that the retrenchment of this jemadar was not in

† For answer to this question, see answer to question No. 634.

accordance with the orders issued by the Government of India in regard to retrenchment of personnel is not correct.

(e) Government are not prepared to take the action suggested by the Honourable Member.

POSTMEN AND PACKERS SUCCESSFUL IN THE LOWER GRADE CLERICAL EXAMINATION.

639. ***Mr. Lalchand Navalrai:** (a) Are Government aware that the Director General of Posts and Telegraphs Department has issued a notification that the subordinate staff of postmen and packers, who have passed the lower grade clerical examination, will be given preference over outsiders in the event of vacancies occurring?

(b) Will Government be pleased to state whether this rule is strictly followed by the Karachi Post Office under the Sind and Baluchistan Circle?

(c) Is it a fact that seven outsiders, namely, Messrs. (1) Badrinath, (2) Mohanlal, (3) Chiranjilal, (4) Abdul Rahman, (5) Raman, son of Mr. Iyer, the Postmaster, General Post Office, Karachi, (6) Sohanlal and (7) Mohd. Yusuf, have been appointed in the clerical staff when postmen Mr. Nagesar Prashad and Mr. Bhola Dutt had passed the lower grade examination (25th December, 1931), were not given any post, when the above seven posts were filled in?

(d) Will Government be pleased to state why, in spite of the definite notification of the Director General of Posts and Telegraphs outsiders, who have no lien, have been appointed?

(e) Will Government be pleased to state whether postmen and packers, who are outsiders in the Postal Department in the Karachi Post Office, are being given preference over the men who temporarily served in the same Department?

(f) Is it a fact that two outsiders, Messrs. Teja Singh and Bhujan Rao S. Madulair, have been appointed as packers by the Karachi Post Office when Messrs. Khushal Singh and Din Dayal have worked for four years?

(g) Are Government prepared to issue instructions to the Director of Posts and Telegraphs, Sind and Baluchistan Circle, that he should always give preference to postmen and packers who are known as temporary staff?

Sir Thomas Ryan: (a) The orders issued by the Director-General provide for the preferential treatment of passed departmental men subject to the condition explained in the reply given to Mr. P. G. Reddi's starred question No. 768 in this House on the 26th September, 1932.

(b) Government have no reason to suppose that the orders just referred to are not being strictly followed in the Karachi Post Office.

(c) to (f). Government have no information. If the officials referred to consider that they have a grievance, it is open to them to represent their case through the proper official channel.

(g) In view of the reply to part (b), Government do not consider it necessary to issue any special instructions in the matter.

Mr. Lalchand Navalrai: Will the Honourable Member be pleased to say, with reference to paragraph 2, whether he has made any inquiries to find out whether the Director has been strictly following that ruling or not?

Sir Thomas Ryan: No, Sir. I have not made any inquiries. The orders were perfectly specific, and I have no reason whatever to believe that they are not being carried out.

Mr. Lalchand Navalrai: In view of the fact, Sir, that the submission has been made that there has been some digression from them or that the instructions are not being followed, may I not expect the Honourable Member to make inquiries and be certain about them?

Sir Thomas Ryan: I have not thought it necessary to make inquiries, Sir, but in deference to the Honourable Member's expressed wish in the matter, I shall make inquiries.

Mr. Lalchand Navalrai: Thank you very much.

With regard to clause (c), these people do feel affected and I shall be thankful to the Honourable Member if he will inquire if they have any genuine grievance.

Sir Thomas Ryan: The inquiries which I have promised to make to satisfy the Honourable Member will cover that point.

Mr. Lalchand Navalrai: Thanks very much.

STATEMENT OF BUSINESS.

The Honourable Sir Brojendra Mitter (Leader of the House): Mr. Deputy President, as already announced by me last Thursday, the five working days of next week, from Monday to Friday, will be taken up entirely by the voting on Demands. I also wish to take this opportunity of informing the House that Government intend to move for consideration of the Finance Bill on Monday, the 13th March,

THE GENERAL BUDGET—GENERAL DISCUSSION—contd.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now resume the general discussion of the Budget.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muham-madan Rural): Mr. Deputy President, I am thankful to you for affording me some little more time to go through some of the Budget papers. I can now say that I have at least tried to read most of these papers and I should say that, in addition to the very elaborate speech of the Honourable the Finance Member this year, we have got a very fine supplementary memorandum from the Financial Secretary in which all possible points of

[Mr. S. C. Mitra.]

information have been given with such lucidity and detailed explanations as will, I think, satisfy this side of the House. Yesterday, Sir, I was dealing with the question of the restoration of five per cent. of the salaries' cut. I was making the point that it was not so much out of solicitude for the poor Indian clerks in Government service that this salary cut has been partially restored, but that it was the pressure from the Indian Civil Service, not only here in India, but also in England, that has compelled the Government to restore the five per cent. cut this year and it would seem as if they will be compelled to restore the other half next year, whatever may be the financial condition of India. Sir, on this point I should like to remind the House that it is not so much the sanctity of contract with these officers. I think when most of the officers now in the services joined, this high scale of salary was not a condition of service at that time. If I remember aright, it was in the year 1918-19 when the Peace Treaty was concluded that the price levels were very high. At that time, due to constant pressure from the civil services, the Government had to yield and raise the scales of salaries of their officers to an inordinately high amount which positively proves extravagant in these days of low prices and of low cost of living. I shall not today go into details and compare the scales of salaries that obtain here in India with those that obtain in other richer countries which are in a position to pay higher scales of salaries. But what I maintain is that the present scale of salaries is very high. Then the Lee concessions were added. These were meant only for non-Indian officers, but were extended to other officers in the Railways and other Departments, not even thought of by the Commission itself. Now, our point is that before restoring the cut in salaries, Government should have considered the condition of the Local Governments as well. The Government of Bengal, I know at least, can never make their two ends meet, because of the Meston Award. I think it is only in the Presidency of Madras that they usually have a surplus Budget, but all the other Provincial Governments are in a very sad plight. The question of the restoration of cuts should, therefore, be considered when the condition, not only of the Central Government, but of all the Local Governments, has been improved. I leave that question there, because I know it has already been discussed and will be discussed also later on.

Before I pass on to other items, I should like to say just a word about the Postal Department. It is always claimed that the post offices pay their own way and the unfortunate amalgamation of the telegraph accounts with the postal accounts makes the postal budget always a deficit budget; otherwise there is no reason to raise the price of the post cards and envelopes so high. On the other hand, it has always been argued that these are two different branches of the same Government and, so, whatever is gained on one side would have to be paid on the other. Sir, I do not agree with that argument at all. When accounts are to be kept, each branch of the Government of India should keep its own account separate, so that each Department may be judged on its merits. I understand that even with regard to the retrenchment suggestions that were made, there has been very little retrenchment on the telegraph side. My information is that the telegraph engineering side has been left untouched. So I should like to suggest one thing that, instead of making guesses about the postal and telegraph accounts, there should be separate

stamps for telegrams so that the accounts on the telegraph side may be clearly set apart and be judged separately. That is a suggestion which, I hope, Government will consider, so that in future instead of making guesses and the postal people complaining, there may be accurate accounts enabling us to judge whether the postal side is having its balanced budget. In that case it will be possible for the question of lowering the rates for post cards and envelopes being considered on its own merits.

I shall then deal with a few figures from income-tax only to show,—I have not very much sympathy for income-tax payers,—that the cost of realising the 18·23 crores would be 85 lakhs. I am taking the figures from the explanatory memorandum of the Financial Secretary. In 1931-32, there were 17·49 crores and the cost of it was 74 lakhs. In 1932-33, the income was 17·70 crores and the cost was 78 lakhs. That shows that there is an increase of 21 lakhs in income and the cost of collection increased by 4 lakhs, which comes up to 20 per cent., while the cost of the previous collection of income-tax was only 4½ per cent. From this I should like to impress on the Finance Member that if the cost of collection for this extension of the income-tax to people with income below Rs. 2,000 is so disproportionate, it is fair that Government should consider the question of remission for people below Rs. 2,000.

Then I should like to say a word about salt. Here, there is no suggestion about any alteration. But we, who come from Bengal, must say a word about the additional salt duty for which we may or may not have any chance to speak. The purpose of the additional salt duty was to afford some facilities for the indigenous manufacturers in Bengal to produce salt for consumption locally, and it is known to the House that no efforts have been made in that direction. The money that was sent back to Bengal for that purpose has been utilised by the Bengal Government for their own purposes and I think no amount has been spent to make any effort to have local manufacture of salt in Bengal. Now, the condition of the people there has been very graphically described by my friend, Mr. Amar Nath Dutt. Their produce is not getting the proper price, and any additional charge on their bare necessities is really the last straw to break the proverbial camel's back. So, I think there will be unanimous support, at least from Bengal Members, on this question that Bengal should not be further burdened with any additional salt duty at this time.

I have to say just a word about the duties on kerosene oil. The House knows that there is a difference of four pies in the excise and import duties on kerosene. I think there has been no explanation up till now why this difference is being maintained. The price of kerosene in India is settled by the price that the imported kerosene can obtain in competition with the Burmah Oil Company. The Burmah Oil Company puts its price exactly on the same level as the price that the imported kerosene can fetch here in India. So, there is no ground why this difference in the excise and import duty on kerosene oil should go to the pockets of the Burmah Oil Company and should not be utilised by the Central Exchequer. I hope the Honourable the Finance Member will explain to the House how, in these very bad times, he does not think of equalising the excise and import duty on kerosene oil. Referring to the figures I find that the import duty on kerosene has reduced the imported duty in the year 1929-30 to Rs. 164·33 lakhs. The revised estimate for the year 1932-33 is 150·00 lakhs, while the amount realised from the excise duty on kerosene in

[Mr. S. C. Mitra.]

1929-30 was 95·70 lakhs, and the revised estimate for 1932-33 is 275·00 lakhs. That shows that due to this difference in the excise and import duty, while the foreign import has been decreased, there has been a great increase in the Burmah Oil Company's supply and by this the Indian revenue has been deprived of a legitimate sum for which I think there is no special ground why they should be treated as they have been. If I remember aright, in one of the earlier speeches it was said by the Honourable the Finance Member that there was not to be any difference between the excise and import duty on kerosene.

I would now say just a word about the Army. It has been claimed that the Army expenditure has gone down very considerably. The main reason that has been shown is the lowering of the price of foodstuffs and other necessary articles. So, if that be the main ground for the contraction of the Army Budget, when there will be a rise in price of commodities, it will again inflate to 50 crores or more. So I think no credit can now be claimed, and the pressure of the Indian Members of this House in regard to this matter remains the same.

It has been admitted that at present the Indian export is less than the whole of India's import by about two crores of rupees and that for the payment of our home charges or other invisible imports, we had to pay for the last two years by exodus of gold. The question has been elaborately dealt with by the Honourable the Finance Member, but yet we can ask him how long can he expect this process to continue? He thinks that this exodus of gold is really "exchanging one form of investment for another", but here we do not agree with him. I know the theory that gold cannot be eaten and so there should not be any anxiety to keep gold; if it is profitable, why should it not be exported? But there is also the evident anxiety on the part of all nations to keep as much gold in their countries as they can. Here my point is that unless there are serious efforts on the part of the Government of India to increase India's exports, they should pay not only for the visible imports, but also for the invisible imports by sending her gold reserve. There is no way out. India must so arrange that there should be a sufficient volume of export from our side to cover all our liabilities, whether in the shape of imports or interest charges or other home charges. The remedy is to encourage industry and manufacture. When that question is raised, the general answer—the Honourable Sir Frank Noyce will rise and say—will be that industry is a department which is a transferred provincial subject, so the Government of India have nothing to do with it. If we refer to these transferred subjects, we find that all matters that relate to the building of the nation are provincial subjects. But in fixing the allocation of the fund, the Government of India keep all the expanding heads of revenue in their hands. We, in Bengal, as I have said before, have been hard hit because of the Meston Award. The excise duty on jute is all monopolised by the Government of India. The whole of the income-tax, and out of a revenue of 40 crores 30 crores or more are usurped by the Central Government.

Now, the decision of the question about Federal Finance will be settled in about two years' time. I understand that there is some chance of doing justice to Bengal in the future constitution. But during these intervening period of two years, I do not know how the Bengal Govern-

ment can see their way to balance their Budget. We find that the whole of this excise duty is now absorbed by the Government of India, while nothing has been done for the jute industry of Bengal

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member has one minute more.

Mr. S. C. Mitra: The jute industry is really the producers' monopoly, but Government have failed to take any step in helping the poor Bengal ryots in organising their position. They have failed to take any advantage of this monopoly. Rather the merchants are dictating their terms and, if I refer to the figures, I can show that they have been compelled to restrict even the growth of jute in Bengal.

Sir, we have received no reply from the Finance Department about the Third Report of the General Purposes Retrenchment Committee. What steps they have taken in giving effect to the recommendations of the Committee as regards the Foreign and Political Department? Neither the House has been told anything about the new scales of pay that Government are going to enforce in future, nor have they told the House about what they propose to do in this connection. The House certainly can claim this information from the Government.

Now, I want to say only one word, Sir, about the Hindu University. I am grateful to Sir Muhammad Yakub for raising the question of grants to Universities. I agree with him that there should not have been any cut in the educational institutions, and if the question of giving aid to the educational institutions and Universities are taken up by Government, I hope the question of the claim of the Hindu University in this matter will not fail to draw the attention of the Government.

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Sir, I wish first of all to join with Honourable Members who have preceded me in congratulating the Honourable the Finance Member on the way he explained the Budget to this House. His speech was remarkable not only for its lucidity, but the Honourable Member showed great skill in avoiding the dangerous corners. The Budget itself is again an emergency Budget. There is very little difference, only some slight variations from the previous Budget. We have the same scale of taxation and tariffs, and the Honourable the Finance Member does not promise any relief whatever to the general public or to the industries of the country. He says the emergency due to world depression continues. In this country it seems to me that once an emergency has started, it never comes to an end, both in the political and in the financial sphere. I think the Honourable Sir George Schuster fully realises that this state of things cannot continue indefinitely. The present rate of taxation is crushing the industries, is paralysing every industrial enterprise and is telling heavily on the ordinary lives of the people. No relief, as I have said, is promised to the general tax-payer or to the industrialist; only some relief is given to the officials. As regards that a great deal has been said and all that I wish to point out is that Indian public opinion in this matter is very strong and the European public opinion is to a great extent also with us that relief ought to come simultaneously to the officials as well as to the general public.

[Sir Abdur Rahim.]

Sir George Schuster quite rightly takes credit for bringing about equilibrium of the Budget. As custodian of the public finances, he is undoubtedly right in laying every emphasis on that aspect of the question. But I am sure, he realises also that that is not all that is needed. The Budget may be balanced and yet the country may be no better off. The people may be groaning under the burden of taxation; they may be starving, and the Government of India's Budget may be properly balanced and, if the Finance Member chooses, he can even show surplus. He has also laid great stress on the necessity for maintaining the credit of India. Even that can be pushed too far. No Indian would like the credit of India to be impaired in the estimation of the world; but it is no use thinking merely of the investors, of men who have got money to invest in Government securities. We have got to see how the resources of the country are being developed, we must find out means of developing further the resources of the country, so that there may be as little need as possible for going frequently to the market here or in England for loans. We realise fully that the position is a difficult one; but my complaint is that the Government of India are making no effort to get out of this rut.

There is one obvious way which, I am glad to find, has appealed also to my friends of the European Group—that is, to reduce the military expenditure. This is quite possible, but I know it is also the fact that the military authorities think that the army expenditure cannot be further reduced. Naturally enough they think so, because it is their own department and they want the army to be as well equipped and as efficient and large as possible. But they have to be made to realise the financial position and it is the business of the Government of India as a whole and of the Finance Member in particular to tell them in definite words: "This is the limit and we cannot give you anything more, and you have to make the best of the situation." We feel and feel very strongly that there is considerably more room for reduction of the military expenditure. ("Hear, hear" from the Non-Official Benches.) We say that if you reduce the military expenditure by another six crores, the efficiency of the army will not be impaired to any dangerous extent. Time after time this question has been raised, and what has been done so far is, we say, wholly insufficient. That is the main point upon which I must ask my Honourable friend, Sir George Schuster, to concentrate all his efforts. I read with great care the speech which he delivered at the Ottawa Conference. The picture that he painted then is still vivid in my memory. He pointed out then how the army expenditure was swallowing up the revenues of India, leaving nothing for developing the resources of the country and brightening the lives of its people. I want to remind him of that speech of his, and I wish to ask him as earnestly as I can to concentrate all his energies in reducing further and to a substantial extent the army expenditure. That is the only way out of the difficulty. He realises, I am sure, indeed a man of his natural gifts and talents who has been conversant with the affairs of the country for so many years now, must realise that some way must be found to get out of the present groove and out of the difficulties that now confront us. There is only one way at present that I can see and that is as I have said, to reduce the military expenditure.

He has told us that in the civil departments of the Government of India he has effected considerable retrenchment, nearly as much as was recommended by the various sub-committees. I admit that I have not had the time to examine that position: my friend, Mr. Mitra, has just

pointed out that no information is available regarding the Political Department. We made a report on that subject and we shall deal with that when we discuss the demands. In these times of great financial distress, Sir George Schuster marvels at the great power of resistance shown by the people of India. But I submit to the House that that is not an accurate way of expressing the situation. The situation is that the people, in order to live at all, have had to exhaust all their capital resources; and by this means they have managed so far merely to exist. He has laid stress on the fact that there has been increased consumption of what he calls the necessities of life like cotton piece-goods, kerosine oil and salt, but he seems to have overlooked the fact that during the last ten years there has been a considerable increase in population to the tune, I believe, of about thirty millions. That would account for whatever increased consumption there has been. But even taking the higher figures of this year, what do you find? He has given us the figures of the current year in respect of the cotton piece-goods that have been consumed. If you divide that among the 350 million people, what does it amount to?—A little more than 16 yards of loin cloth throughout the year.

Now, take kerosine oil. I understand that even the villages of Europe are now lighted with electricity. What do you allow to the people here? Just a little kerosine oil to light their cottages and an extra pinch of salt. Supposing there is available a little more kerosine oil and an extra pinch of salt, is that a matter on which we should be asked to feel satisfaction or even any consolation? Most surely not. I do hope that the Finance Member of the future will not confine his attention to barest necessities of this character.

Sir George Schuster does not believe in gold at all. I think he told us on one occasion that gold was not to be eaten. That is perfectly true. But as has been just pointed out, all civilized countries are competing with each other in order to secure as much gold of the world as possible. Why,—because that is the basis of currency, and it is going to remain the basis of currency for a long time to come. What is the opinion in England now? Is it not veering round in the direction that England must have once again a gold standard? Where has all this gold of India gone to? To England.

An Honourable Member: No.

Sir Abdur Rahim: Most of it, at any rate, has gone to England. Sir George Schuster himself told us that he has been buying gold and keeping it in reserve there. What for? To support the currency in England, to pay off the loans. How is this done? By raising more loans in England and here. All this gold, or most of it at any rate, is kept there. That will be of use to England, but according to him it is of no use to us. In this connection I may say that I am inclined to agree with what Sir Leslie Hudson said yesterday. I understand he made a very sympathetic speech which drew applause from this side of the House. He was perfectly right in pointing out that a great deal of this gold is what is called distress gold made up of the trinkets of the masses, but I cannot agree with him when he says that there should be an export duty on gold. Sir, I should like that this House should consider this question carefully, but it strikes me at present that, so far as the distress gold is concerned, the imposition of an export duty would only mean that the poor man will get less. That will mean no relief whatever to the poor people. In this connection I should like to know from the Honourable the Finance Member why the sterling loans of five and six per cent. have not yet been paid off? Surely the

[Sir Abdur Rahim.]

process of conversion which he has adopted in India and against which I wish to say nothing,—indeed it was the right course to adopt,—should have been adopted with reference to these sterling loans also

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): England also adopted it.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): They must fall due.

Sir Abdur Rahim: I believe they are already due.

Now, there is another thing I should like to refer to. The Finance Member sees in the increase of post office cash certificates and savings banks deposits the channel to which the sale proceeds of gold has been diverted. Now, Sir, so far as the poor peoples' gold is concerned, I agree with Sir Leslie Hudson that the sale proceeds of the distress gold is not represented in the post office cash certificates and savings bank deposits. The very fact that it is distress gold shows that it was not meant for investment. The answer is really given by my Honourable friend, the Finance Member, himself. He seems to recognise that these increases in small savings or rather small investments are really the result of low commercial and industrial activity. Industrial enterprise has received a serious set back, and people with small capital do not know how to invest their savings. Instead of investing such savings in industries, they have sought the only other method open to them of investing in Government securities. That is the explanation for the increase in post office cash certificates and savings banks.

There is another very important matter on which I wish to say a few words, and that is the policy, as my Honourable friend calls it, of capital expenditure. It is a very important subject, and when I came to read the portion relating to capital expenditure, I thought I would find something which would be enlightening. I am afraid I have failed to find any useful suggestion in his speech in this connection. All that he said was, loans have to be raised, if they are to be raised at all, for the purpose of railways, and he supports his suggestion by stating that capital expenditure must be productive. How productive these railways are at present, I need not remind the House. Is it the intention of my Honourable friend to invest more of these borrowed monies in railways, to float more loans and invest those monies in railways in any form? Sir, he has coupled roads along with the railways. He is not very explicit on that point, but if he suggests that the Government have a scheme in contemplation by which railways will be allowed to monopolise a good portion of the motor traffic by roads, then that is a very controversial point indeed, and we will have to examine the question very carefully before we can adopt a policy of that character.

Sir, as I read the newspapers I find that Government after Government of all countries of Europe and America, when presenting their budgets through their Ministers, are fixing their attention first of all on the question of employment in the country. Throughout the 12 Noon. Finance Member's speech, which covers 40 pages, I do not think I found the word "employment" anywhere.

An Honourable Member: There is.

Sir Abdur Rahim: If that is so, I do not know in what connection it appears. Probably in connection with the Civil Service. Anyhow, the question of the employment of the people here has never been put forward as one with which the Government of India are concerned. I looked into the abstract of the census report and I tried to find out whether, as a matter of fact, the question of employment had been considered by the Census Commissioner. So far as I could judge from the figures that are given there, I think the unemployed in India would be very nearly 50 millions. Some say it is 30 millions. It may be between 30 millions and 50 millions. The real point is this. There has not been sufficient development of industries in this country and indeed no attempt has yet been made in this direction. I should have expected that Sir George Schuster, in his last Budget speech, would have given us his own ideas. He is a man of great gifts and, I am sure, he could have given us suggestions as to how to develop properly the vast resources of the country and how to find employment for the millions of people. I saw in the newspapers that the Government of India were thinking of some plan for the economic development of India and, as a matter of fact, a meeting of economists was held in Delhi. A question like this should not end with meetings or even with the organisation of a statistical development. I find that provision has been made for the strengthening of the Statistical Department of the Government of India. We do need much more detailed statistics, especially of the industries in the country. In fact we found during the discussions on the Ottawa Agreement that the Industries Department had not even a list of the growing industries of the country. I hope that the new statistical department or the officials who are in charge of the business will see to it that proper figures are available to the public as regards the industrial activity of the country.

Sir, I am afraid, my time is up, but I wish to say this, that I have not the least doubt that Sir George Schuster has done all that he could, within the limits allowed to him, to do justice to the interests of the people of India. We all realise that he is not free to make such Budgets as he would like. He is controlled by Whitehall and, as a matter of fact, the Indian Budget is a subsidiary Budget to the Budget of the British Government. That is the plain unvarnished fact. If India, under the new constitution, gets full responsible Government, I can assure Sir George Schuster that we should like to have a man of his great financial experience and talents as our Finance Minister. Then Sir George Schuster will present a Budget very different from the one which he has now presented to us.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I join with the other Honourable Members in congratulating the Honourable the Finance Member for presenting his Budget with a very good speech and in the best way he could under the present circumstances. I need not dilate at great length in congratulating him and saying good words, because he knows that he has got the best wishes of myself and the whole House with him. We have always admired him for his great talents. He is a great financial expert and has shown his good sympathy to the Indian finances.

There are, however, some phases of the Budget which it is my duty to explain to the Honourable Member and to the House. There are certain matters which present a very gloomy feature and which show that India is not advancing properly and that there is something wrong with the India of today. In spite of the great movement that India should use

[Mr. Muhammad Yamin Khan.]

the home made cloth, swadeshi cloth, and especially khaddar, about seven crores worth of cotton piece-goods have been imported into India. Although the Indian Exchequer gained in the matter of customs duties to the extent of 6.40 crores as against the previous 3.79 crores, by importing cotton piece-goods and raw cotton, I ask, at whose cost has this been done? I know that all this money has been obtained at the cost of the poor weaver in the villages. The hand loom industry is at present telling very hard on the people engaged in it. The poor weavers are starving today. They cannot make both ends meet. Still we are getting this foreign cloth imported into India at this high rate. Although it may be called unpatriotic on the part of Indians, who have, in spite of these movements, resorted to purchasing more foreign cloth, still there must be something which must be responsible for allowing this quantity to come into the country. The Honourable the Finance Member explained fully that the prices of Japan-made goods fell down to a great extent and that that was responsible for dumping these goods in India. If this had been foreseen sometime ago, when the Finance Bill was introduced, some kind of check could have been effected on this dumping. Even now, Sir, the time is not lost. Although the Honourable the Finance Member says that there is not much probability of having so much foreign cloth coming into India in the coming year and that, therefore, he budgets his income at a low figure, I do not see how it can be presumed from past experience and the low rates of exchange prevalent, which factor has shown that this process does and will continue. It may be said that the last four months of this year have not shown so much cloth being imported as during the previous eight months, but still I doubt that the circumstances will not repeat themselves again and that India will not have to buy at the cost of the poor handloom weavers. What we require at present is to provide people with some kind of employment. If we could find employment for our poor weavers, we would not have had to press so strongly that this import of foreign cotton should be stopped; and unless we do put up obstacles in the way of imports by means of high duties or some such method, we cannot help our poor citizens who are living from hand to mouth and cannot afford to live at all decently. I have seen lots of weavers come up and complain that they do not find so much employment now-a-days as they used to before. That is natural enough owing to the large quantities of foreign cloth that have been imported, and which, as has been explained by the Honourable the Finance Member, is really responsible for all this distress and for their not getting their bare living wages. Japan may have been a great competitor with Indian industry or it may be with English goods, which, by the way, have seen some kind of revival during the last few months, but we have to put before us the welfare of Indian industry and Indian workers and not that of any other country before us. Although my friend, Mr. Mody, may be desirous of some kind of relief for millowners, I should put such demands in the second category. We should remember, first of all, the people who are living from hand to mouth and are engaged in our village industries. (Hear, hear.) My Honourable friend has shown that the duty on raw cotton has gone up to 62 lakhs instead of 32 lakhs. Now, I ask, why has this cotton been imported into India? That has not been explained. Surely that shows that our own cotton which our people are growing must be suffering greatly and that the Indian industry, instead of being helped, must be suffering by reason of this import from foreign countries.

An Honourable Member: That may be for finer cloth.

Mr. Muhammad Yamin Khan: It may be said that this may have been required for making finer cloth. But surely people who now use so much finer cloth can use a little coarser cloth. If our people had been truly patriotic, if they had used for their purposes some kind of cloth made in their own country and not confined themselves to cotton from foreign countries, we would have had a different tale and I would not have cared for this loss of 30 lakhs in our duties. I think there should be lesser income to the customs in this respect and thus provision for the manufacture of goods from cotton grown within the country itself.

Another thing which strikes me is the case of motor cars. The average imports up to last year were 11,400 cars. Last year we got only 5,300 cars, that is, less than half. I think, Sir, that is a good augury. I do not grumble at this decrease. Monies spent on motor cars, Sir, have been a kind of drain of the resources from this country to foreign countries, and I have wondered all these years why there has been such a craze for Swadeshi cloth, but no movement against the import of motor cars. Now, why there is so much slackness on the part of capitalists in putting up even one factory for building motor cars, I am at a loss to understand; it would be much more patriotic to purchase your own cars rather than have American and other foreign cars imported into this country.

Sir Leslie Hudson (Bombay: European): What about the Calcutta Corporation?

Mr. Muhammad Yamin Khan: Sir, all these monies go to America and other foreign countries. I would invite my Honourable friends, Mr. Mody and Sir Cowasji Jehangir, to the desirability of their not putting their money into foreign Banks outside India in order to avoid income-tax, but to utilize them to build up this industry in India, and, if they do so, they will benefit India a great deal.

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): I am now using a bullock-cart!

Mr. Muhammad Yamin Khan: That will be good, and I hope my Honourable friend will go on using a bullock cart until he builds a factory for the manufacture of motor cars himself.

Dr. Ziauddin Ahmad: Let us have the story of the Calcutta Corporation.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): What will happen about the petrol?

Mr. Muhammad Yamin Khan: I don't mind some little loss to the Indian Exchequer resulting from lesser imports of motor cars if that entails more profit for the people at large investing in the Indian industry, if one is created, of motor cars. Then, Sir, there is a veritable craze now-a-days among people for exchange of motor cars quite unnecessarily. With the lowering down of prices by just a bit, people are tempted more and more to exchange their cars, all that capital in the shape of second-hand

[Mr. Muhammad Yamin Khan.]

cars is locked and becomes useless. Apart from being of use as some kind of steel, there is no value resulting from them to the country. Now, not only is this craze to be seen among private people, but I see it amongst Government officials also. I wouldn't mind that so much in so far as the Government official did this in his personal and private capacity, but I deprecate this strongly when they do it in their official capacity. Police officers, who have the power to issue licences for motor buses, often insist at the time of the annual renewal of licences that one must use a new motor bus every year. Poor men, who often invest as much as Rs. 4,000 in motor buses, when they come up before the Superintendent of Police for renewal of licences, are asked to purchase new motor buses and they are told that otherwise their licences would not be renewed. This kind of pressure, although it might benefit certain middlemen, engaged in the purchase and sale of motor buses, never help the poor people who invest all their money in motor buses.

Then, there is another thing I would like to draw attention to. I cannot understand why the prices of jute have gone down so low. Jute is the sole monopoly of India, and if the prices of jute go down, then I think there must be something wrong with it. India is the sole jute grower.

Mr. K. Ahmed: Only Bengal.

Mr. Muhammad Yamin Khan: If my friend suggests that Bengal is outside India, then I shall gladly accept his correction. I say, Sir, India is the sole grower of jute.

Mr. K. Ahmed: Do you understand anything about jute?

Mr. Muhammad Yamin Khan: I do not know why the price has gone down although the quantity which had been exported remains the same. It required some explanation as to whether it was on account of world prices or due to some other causes. If a commodity has the sole monopoly in any country, I do not know how other world prices can affect that sole monopoly and why the jute grower is not getting so much now as he used to get last year.

Sir, I am very happy about the position with respect to sugar and I think the sugar industry, which is growing in India, will bring some benefit and relief to the Indian growers. I am glad that so many machines have been imported and so many plants put up. Although the sugar, which is produced in India, is not yet sufficient to meet the requirements of the country, I hope, within a year or two, we will have a sufficient number of plants which will produce sufficient quantities to meet the requirements of the country.

One thing which my Honourable friend has explained at great length is this that gold export was essential to meet the requirements to pay for the extra imports which this country had. I ask, is it right that gold should go out to bring in unnecessary commodities which India can produce herself? As I have said just now, cloth and other things can be produced in India, and these imports India really does not require. So it is no consolation to India to say that gold was exported to meet her extravagance. It is nothing but extravagance when a commodity is produced

which is not really required by India and which makes the people become unemployed. The question of unemployment ought to be given the first consideration instead of the export of gold to meet superfluous imports.

As far as taxes are concerned, I will say very briefly that I do not think that India can afford this high rate of postage duty. There may be a certain justification in saying that it is a commercial concern, but we cannot pay these high rates any longer. I do not think that the income-tax on lower incomes which was introduced as an emergency measure or the surcharge on incomes below Rs. 5,000 can be justified when we see that people, with fixed salaries and incomes, are getting relief and no relief is given to the people who are in the professions and whose income has gone down a great deal. Before allowing this five per cent. restoration, relief ought to have been given to the poor people who have not got fixed incomes.

I will now say one word about the Muslim University, and I think the ten per cent. cut, which is continuing in that University is most unjustifiable. The institution is running at a heavy deficit and only depends on the help which it gets from Government and its grant should not be curtailed. I am a Member of the Court there, and I know that Rs. 23,000 is the deficit in the new budget; and, if Rs. 33,000 continue to be cut as in the past, there will be much hardship and the University will not be able to make its two ends meet. I hope Government will see their way to restore this cut and bring some relief in the coming year.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, if I do not join the army of Imperial florists and offer a bouquet or a laurel wreath to my Honourable friend, the Finance Member, it does not prevent me from offering him my congratulations—very sincere congratulations—on the able way in which he has, during the past year, steered India's financial ship, empty of silver, but full of gold, against being wrecked on the rocks of trade depression and, may I add, the rocks of "necessities" and "luxuries" or, as he calls it himself, "the unknown depths of wild experiments". But I do wish to say that India should consider herself mighty lucky that, for the past five years, she has had such an able administrator in charge of her finances as Sir George Schuster has proved himself to be. The accurate way in which the accounts and the financial forecasts are shown in the present Budget is ample evidence of the great care and skill he has displayed in the administration of his Department. Sir, if, in the midst of this welter of financial stringency and disturbance, he is able to tell us in 1933 that we are, "as we were in 1932", he has earned our lifelong gratitude and I for one offer my personal gratitude to him.

Now, Sir, having given the Finance Member what I consider a well deserved eulogy, I desire to touch on a few points which have struck me in this Budget. The first point to which I desire to refer is the restoration of the five per cent. cut. The restoration of the five per cent. cut has no doubt elicited the mixed thanks of members of the services—the idea being that something is better than nothing, and I have no doubt that those, employed in the lower grades of pay, are very grateful to the Finance Member, but it has made no difference whatever to the higher grades of pay. But the adroit way, in which the Finance Member has restored the five per cent. cut and, at the same time, imposed a surtax on income, in effect amounts to what he gives with one hand he takes away with the

[Lieut.-Colonel Sir Henry Gidney.]

other. If I may be permitted to indulge in a little humour—those dual blessings would mean if the recipients were males—taking from “Peter” to give to “Repeater”, and, if females, what he takes from “Kate” he gives to “Duplicate”. After all, what has he done? He has paid a few rupees to the lower paid Government servants, but he has afforded, as I have said, no satisfaction to the higher paid officers. Neither has the Finance Member in this adroit manipulation of the Budget satisfied the business man. For he is bitterly dissatisfied at no relief of taxation. He thinks that this 50 per cent. restoration should not have been given, in view of the fact that he has been hard hit by the trade depression in the country. Sir when the ten per cent. cut was imposed last year, I likened the Finance Member to a hydra-headed monster who went about the country depleting the purses of public servants for the benefit of the general public. He seemed to be afraid of imposing a popular tax, though I know it would not be popular in this House, for instance, on salt, and so have got all the money he wanted to balance his Budget. On the contrary, he imposed a ten per cent. cut on officials who had contracted for their pay, on a statutory basis, with the Secretary of State or with the Government of India. Bad as this is, he has gone further, and further dissatisfied the employee for, in reducing the staff, he has increased their labour, and the only reward this reduced staff has so far got was not a retention of their former pay, but a reduction by ten per cent. of their legitimate contracted wages. I consider this reduction of pay of public servants not only wholly wrong in principle, but it has seriously affected the recruitment of the Services. What are the senior men doing today? They are waiting for their time of retirement to come, jogging along as best as they can, waiting for their time to come when they can pack up and go away to England. They have lost all interest in their work and are “fed up”, and what do the new recruits think? They say “Why should we enter a service, the pay of which is liable to attack of political pressure and is at the sweetwill of the Finance Member to be used when he wishes to balance his Budget” and so please the political public of the country which they serve.

Diwan Bahadur A. Ramaswami Mudaliar. (Madras City: Non-Muhammadan Urban): Has the Honourable Member any authority for making the statement.

Lieut.-Colonel Sir Henry Gidney: Perhaps I have not the Honourable Member's authority, but I have the authority of facts in the imposition of this ten per cent. cut in salaries.

Sir, then the Honourable Member tried to differentiate between luxuries and necessities.

Sir Cowasji Jehangir: May I ask the Honourable Member whether India is singular in the world in having made a cut in the salary of public servants?

Lieut.-Colonel Sir Henry Gidney: India is more than plural, but that does not alter the principle involved.

Sir, the Finance Member then tried to distinguish between articles of luxury, “requirements of industry” and the “necessities of the masses”. He found it difficult to place sugar in any category, but in this distinction he soared into the heights of imagination. What did he do? He has put liquor, tobacco and motor cars on the same quality as luxuries. Now, Sir, I want to ask him, if he seriously contends these three items are equal as luxuries, why have the Government of India granted to Members of this House haulage for their motor cars? Was it to encourage Members of this House in the practice of luxurious expenditure or was it to encourage us to bring our necessities here? Why have the Government not given us an equal allowance on our “smokes” and “drinks” which has been given in the case of motor cars? Another question I desire to ask is “Why do Government officials draw allowances on motor cars?” Why don't they have bullock carts, or *tongas*, or tum tums—a one horse power vehicle that was used long years ago before the Honourable the Finance Member came to India instead of 20 horse power cars as are used today? Why has all this method of transport been altered? Because the present day work will not allow it which, in short, means that a motor car is a necessity, or, Sir, does the Finance Member mean that the use of cars by Government officials is a “necessity” demanding a special allowance, but their importation into this country is a luxury demanding the imposition of a high import duty. Sir, all these questions arise in this medley of thoughts and confusions of ideas as to what really is a “luxury” and what a “necessity”, but it does seem rather extraordinary that in the year 1933 we have a Finance Member who calls a motor car a luxury. Sir, in my opinion it is more than a necessity and in putting this high import tax on motor cars he, the Finance Member, is strangling a very important industry in India as also affecting the revenues of this country, on the consumption of petrol and the taxes paid by the public for the purchase of petrol. The petrol trade of Burma is the largest contributor to the revenues, and this prohibitory import duty on motor cars is injuring that business. I therefore, consider, it is high time that the Finance Member reconsidered his taxation on such necessary luxuries. Motor cars, I repeat, are a dire necessity in one's normal life today and I do think it is time this House expressed its strong opinion on this and in no uncertain voice.

Sir, in giving this five per cent. cut with one hand and in imposing this surtax on incomes with the other and in this confused attempt to distinguish between luxuries and necessities, the Finance Member puts me in mind of a chronic flirt trying to make love to two sweethearts at the same time and in which flirtation he is discarded by both, because he tried to win the heart of one of them by showering on her an abundance of “luxurious necessities”, while to the other he gave a surfeit of “necessary luxuries”. Sir, in his effort to differentiate between luxuries and necessities, the Finance Member, I am afraid, has fallen rather deep into the mire of confusion.

The next point which I desire to discuss is the gold policy. I have not been a seller or a buyer of gold, but there is a quotation from the Holy Book, which rather aptly describes the Finance Member's gold policy and the wonderful panacea he says, it has been in stabilising our credit in and out of India and in enabling us to pay for our imports and in affording relief for the necessities of the masses and so has been the means of improving the economic condition of the masses. The quotation is: “Which father if asked for bread will give a stone”, or as the

[Lieut.-Colonel Sir Henry Gidney.]

Statesman in an editorial very nicely put it: "The Yellow Stone Park". Sir, I do remember the time when a distinguished Finance Member was here, Sir Malcolm Hailey, and we were faced with enormous deficit Budgets. One of the Members of the Assembly then said, he was tempted to open his speech on the Budget with the words "Hailey! Hailey! Hailey!" and, Sir, during the last Commerce Member's regime I was almost tempted to start my speech with "Rainy! Rainy! Rainy!" meaning more "Rain", i.e., the Monsoons on which India's Budget so largely depends. But I am afraid the present Finance Member is not a believer in rain, but a worshipper of the gold stone, and, Sir, his great Budget speech is full of praise and adoration for gold and how its export has helped him balance his Budget, etc. This is no doubt, in effect, correct and it is because I believe it that I support the Honourable Member in his gold policy, but he has not proved that the 20 crores of rupees obtained by the sale of gold from "distressed gold sellers" has been used to provide the masses of India with necessities or has ameliorated India's economic condition, nor can the increase in sale of Postal Cash Certificates be accepted as proof. Sir Leslie Hudson has pointed out that India's economic condition, i.e., of the masses is not as good as it used to be, and I agree with him. In short, official and urban India do not know how rural India lives. It is not life; it is a struggle for existence with the villagers today. The Honourable Member's position is that he has asked for a stone (gold) and he gave back bread, but did he give back enough bread so that the distressed, not the broker or Princely seller of gold could say that he received bread to that extent as to entitle the Finance Member to say that the economic position of the masses and the necessities of the country are, as a result of this gold export, in an improved condition? I want to ask the Honourable Member "What would be the position of this Budget if gold were taken out of the picture?" The Honourable Member knows that our foreign trade is bad. He also knows that our exports have shrunk, and he also knows that without gold the Budget would present a very different picture and tell a very different tale. In fact, to quote his own words: "Our channels of International trade are slowly getting completely dried".

Now, Sir, I have another very important matter to which I wish to refer, one, with which I am more familiar, that is the protection of the public health of India. I consider that in this hunt for wealth—the yellow stone—and in the skilful manner in which the Honourable the Finance Member has stabilised his Budget, little or no attention has been given to the health of this country. Sir, I am one who gives the health of a country a premier place to its wealth, for, without health, of what use is wealth, and, without health, how can you obtain wealth. In support, I should like to read to this Honourable House the opinion expressed by a leading authority, Bowditch of Canada, at the International Medical Congress in 1876:

"Public hygiene is the most important matter any community can discuss, for, upon its perfection, depend all the powers—moral, intellectual, and physical—of the State."

The tragic, unparalleled and harrowing history of the protection of the public health of this country needs no explanation or emphasis from me. The appalling mortality of this country stands as a ghastly testimony of the unsatisfactory position of the Health Department that

controls it, indeed it would be but the truth, if one said, in comparison with smaller countries, that India has no Health Department at all worthy of the name except it be called a "make belief". Honourable Members, who are anxious to know about this subject, will find in the Demands for Grants for Public Health an item of Rs. 6 lakhs as the total demand for the protection of the public health of this country with a population of about 350 millions. They will also find that for the prevention of epidemic diseases a petty sum of Rs. two lakhs is proposed to be expended by the Government of India and this sum has been reduced to Rs. 1,72,500 for 1933-34. I can see, some Honourable Members are anxious to correct me and say that Medicine and Public Health are transferred subjects and are, therefore, of Provincial concern, and a deal of money is expended on public health. I am aware of these matters, but even in the Provinces little or no attention or money is given to protection of public health—indeed with all provinces in debt the money used on public health is being annually reduced and amounts to toying with India's most serious problem. But I am referring to a Central Health Board and a Minister of Health. India has been promised Federation, and may I tell this House, that every Federal Government, e.g., the United States, Canada, Australia have such a health organisation. Is Federal India to be the only exception to this vitally necessary Department? It must have it, and at once. It must be provided for us in the new constitution.

Diwan Bahadur A. Ramaswami Mudaliar: Therefore 350 millions have nothing to do with it.

Lieut.-Colonel Sir Henry Gidney: I am coming to that presently, because a Central Health Board will have everything to do with India's 350 millions. Let us see what the Health Department of the Government of India consists of today. It has one Public Health Commissioner, an Assistant and a very much reduced staff, and it has to perform more work in the year 1933 than in 1923 when the Inchcape Committee recommended its abolition. The history of India's Health Department is a sad one; in my opinion, it constitutes one of the blackest pages of the administration of India, and, Sir, I speak as a medical man with about 40 years' experience and a specialist in Public Health. In 1919, the Government of India decided, it was necessary to have a Central Board of Health and, in fact, a Minister of Health. In 1923, the Inchcape Committee visited this country and, in its quest for wealth, and, in abysmal ignorance of the subject, recommended the abolition of the post of Public Health Commissioner. Thanks to the pressure of international public opinion, its recommendation was not carried out, though the staff was much reduced, and, in 1932, the General Purposes Retrenchment Committee, of which my Honourable friend, Sir Abdur Rahim, was President, recommended a still further curtailment in this staff in his quest for economy and which I have no hesitation in calling a "penny wise and pound foolish" policy. The Assistant to the Public Health Commissioner was to be abolished, but a wise Secretary of State ordained otherwise. But, Sir, with this personnel and the work, it is expected to do, how can one expect efficient service. Compare this Department with the Public Health Department of the United States where two million pounds are annually spent on the Central Health Board or with

[Lieut.-Colonel Sir Henry Gidney.]

Australia where over two million pounds are spent annually on a Central Health Board and yet, in the year 1933, we have in India a Central Health Department which is a standing disgrace to the Government of India and to this vast sub-continent, of whose interests we are the elected custodians. Let me now tell the House what other smaller countries are doing in this matter. Such small countries as Liberia, Bulgaria, Greece and even the Nankin Government have Central Boards of Health and Ministers of Health; and yet India, which is one of the largest contributors to the League of Nations, does not possess anything but one officer as Public Health Commissioner with an Assistant and a hopelessly inadequate staff. If this is not an open invitation to be told that India is outside the pale of civilisation and unworthy of being called a civilised nation and if this is not placing India on a par with the aboriginal states of Central Africa and which, she most certainly is, if she is to be judged by her make-shift of her present Central Health Department, I should like to know what else it is. I will give the House one instance of the value and very urgent necessity of a Central Board of Health for India. Honourable Members may not know it, but let me assure them that, with the great accelerated speed of aeroplanes, India stands in daily danger of the importation of yellow fever. Let an infected mosquito carrying the germs of yellow fever once come into India and the whole of India's civilisation will be destroyed within a few months, because the country is full of the mosquito that carries this fell disease. Hitherto we have escaped such a deadly invasion—more deadly than any poisonous gas, but this is a typical matter in which a well organised Central Public Health Board would not only demonstrate its acute necessity, but its weight in gold—not as a yellow stone, but in saving millions of human lives.

An Honourable Member: What are you doing?

Lieut.-Colonel Sir Henry Gidney: I am not attending to cotton as my Honourable friend, Mr. Mody, spends his life. I am trying to do something more useful to my country, India. I am placing before the House a vitally important and urgent matter. Sir, to those, who spend their lives in amassing wealth or balancing Budgets, my appeal will fall on deaf ears, but, I most emphatically submit, the stability and security of no country depends so much on a search to improve its wealth or balancing its Budget, as on a greater duty that every citizen demands from his Government—the protection of the health of its people. The annual total deaths in India is six millions. Just think of this appalling figure—this unparalleled sacrifice of valuable human lives—and ask ourselves, this Government, this Honourable House: are we altogether blameless for this tragedy? What have we done to diminish this awful annual toll of the valuable lives of six millions of our countrymen? I submit, Sir, that the Government of India and this Honourable House together stand charged before the great Creator for a serious neglect of duty and, I say, we are guilty of it and shall remain so till we form an adequate Central Health Board and a Minister of Health. Let me read from the recent Research Workers Conference which had before them the reports of the Simon Commission, the Whitley Commission and the Agricultural Commission regarding the urgent need of a Central Health Organisation for India. I propose, with your permission, Sir, to read the resolution passed by this very important Conference so that both the Government and the House will realise both the necessity and

the urgency of creating a Central Health Board and a Ministry of Health without which India has no entitlement to be classed as a civilised nation, nor can this House say it is doing its duty to the nation:

“This Conference has learned with great pleasure that the Royal Agricultural Commission has taken into consideration the resolution on wastage of life and property which have been passed at all the three previous meetings of the Research Workers' Conference.

This Conference re-affirms its opinion as expressed in that resolution which is as follows:

That this Conference believes that the average number of deaths resulting every year from preventable disease is about five to six millions, that the average number of days lost to labour by each person in India from preventable disease is not less than a fortnight to three weeks in each year, that the percentage loss of efficiency of the average person in India from preventable malnutrition and disease is not less than twenty per cent., and that the percentage of infants born in India who reach a wage earning age is about 50 per cent., whereas, it is quite possible to raise this percentage to 80 to 90 per cent.

The Conference believes that these estimates are under-statements rather than exaggerations, but allowing for the greatest possible margin of error it is absolutely certain that the wastage of life and efficiency which result from preventable disease costs India several hundreds of crores of rupees each year. Added to this is the great suffering which affects many millions of people every year.

This Conference believes that it is possible to prevent a great proportion of this waste at a cost which is small in comparison with the expenditure.

The recent census shows that the position in India is one of grave emergency. The Conference recognises that the problem is very complicated and involves not merely medical research, but also questions of public health, medical relief, medical education, propaganda, and social and economic considerations.

The Conference strongly urges on Government the immediate necessity for appointing a strong Commission, chiefly non-technical, for the purpose of making a thorough inquiry into the wastage of life and the economic depression in India which result from causes which are capable of being remedied.

The Conference believes that the general cause of poverty and financial stringency in India is loss of efficiency resulting from preventable disease and therefore considers that lack of funds far from being a reason for postponing the enquiry is a strong reason for immediate investigation of the question.”

Sir, that is the opinion of a very well known body of research workers. I will conclude by saying to this House that it is of greater importance to this House to look after the health of the people whom it represents than to strain every nerve to balance its financial Budget, and this can only be achieved by the appointment of a Minister of Health with a Central Health Board. I appeal to the House to call upon the Government of India to immediately draw the attention of the Secretary of State for the provision of such a measure in the new constitution and which, in my opinion, is a more urgent and more necessary measure than all the fuss that is being given to a Statutory Railway Board. Unless India does this, she can have no claim to be considered a civilised nation, nor can this House claim to be conscientiously discharging its duty to the peoples of India whom we claim to represent here. I, therefore, call upon this Honourable House to immediately rectify what I consider not only a national danger, but a disgrace to the country.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

Mr. B. Das (Orissa Division: Non-Muhammadan): Sir, throughout the long speech which my friend, the Finance Member, delivered,—and he delivered a very fine speech full of admirable analysis of facts and figures from the viewpoint of the Finance Member and the Government of India, and he gave himself so many certificates that he needs very little certificate from this side of the House. But, Sir, I was pained to find during those two hours that there were no words of solace or consolation to the hard pressed tax-payer for whom, nearly two years ago, my friend expressed so much solicitude.

When my friend in 1931 moved his emergency Finance Bill, he laid down two conditions. One was that there should be an emergency cut in salary, and the other was that there should be emergency taxation, and, simultaneously with that, a surcharge on the taxes. I may be wrong, but many of us formed the impression that simultaneously with the reduction of salary cuts, whether by fifty per cent. or in full, there should be a similar reduction in the surcharge of income-tax. I think to refresh the minds of Honourable Members and of my friend, the Honourable the Finance Member, I should just read a few sentences from his speech. Of course, now he may play with words, and say that he did say this or did not say that. This is what he said:

“If these forecasts are fulfilled, then even if there is no improvement in the economic position, the Finance Member, when he presents the Budget for 1933-34, will find himself in possession of a surplus of 5.23 crores and he will be able to make a substantial easing of the burdens.”

I can understand, if I understand plain English, that “easing burdens” means reduction of taxation and similar reduction in the surcharge of income-tax. I will just quote one more line from his speech:

“It is perhaps forecasting events too much to say in what order these reductions should be made. But, there are principles which we consider must be observed. Relief must come first in restoring the emergency cuts in pay and, secondly, in taking off the surcharge on the income-tax now to be imposed.”

My Honourable friend may now say that he did not mean it, but we on this side understood that it was meant to be simultaneously done, and when, although I was not present here, my Honourable friend made a statement that there would be a restoration of 50 per cent. of the salary cut, I understood, when I read that statement, that in the Budget he will include a reduction of 12½ per cent. surcharge on the income tax and also abolish the income-tax on the low level, that is, between Rs. 1,000 and Rs. 1,999. I will show him a way. We are facing lean years. My friend is so very considerate for the Government to come in the future. I do hope that he will stay here for a year or two more till the new Government is formed. My friend wants the future Government to have a consolidated financial position. Why does he put by 5½ crores, or rather four crores and 15 lakhs for the reduction of the debts? In lean years everybody forgoes a great deal. It is a good thing that the Government of India have balanced their Budget. These four crores 15 lakhs plus the 2½ crores which he has got as surplus gives him nearly 6½ crores and this will go to completely wipe off the surcharge on income-tax which my

friend has estimated at Rs. 350 lakhs and the low level of income-tax which is Rs. 70 lakhs. Here is a suggestion which I am giving to my Honourable friend, and, by accepting them, he can easily satisfy this side of the House. If he says that the salary cuts should be restored to only 50 per cent. then I suggest to him to abolish the low level of income-tax by 70 lakhs, and reduce half the surcharge on income-tax.

Although there have been various suggestions for alternate taxes from this side of the House, there are ways still which my friend has not endeavoured to explore. Two years ago, during the Budget discussion I suggested the equalisation of the kerosene duty, import and export duty. Not only my friend, the Finance Member, but even the Commerce Member showed very great partiality to the millionaire beggars that come to them with begging bowls. When my friend, the representative of the Bombay Millowners, asked the Government to give them a protection in 1929, my friends from Burma, the multi-millionaires, the Burmah Oil Company, came and asked the Government to hold an inquiry and to give them a protection. So these multi-millionaires beggars got four pias difference in excise duty and import duty. I pointed out two years ago, and I again point out today, that it will bring my friend further revenue to the extent of a crore and a half if proper duties are levied on the kerosene oil and the bye-products of kerosene oil that are manufactured in India and the Empire. My friend is so solicitous for the Provincial Governments that he has again re-assessed the stamp duty on cheques, but I will suggest to him another way to make money, not from the poor, but from the rich. In that case my friends from Bombay will have to pay heavier amounts to Government. Has my friend, the Finance Member, ever considered that in the Stock Exchange of Bombay and Calcutta, there is an inordinate amount of gambling going on? There are transfers, fictitious transfers, of shares, there is gambling in gold and silver, cotton and grains, by way of fictitious sales, going on. Why dodge the Finance Member? Put a duty on every such fictitious transaction, and let the State get one per cent. of the value of such transactions. I cannot say why the Bombay or the Calcutta Stock Exchange gamble, but when my friend Mr. Mody rises after me, he will perhaps give us an idea as to how his friends, at least some of his colleagues, gamble, and how this gambling spirit has brought down India to her present scale of poverty, to which not only the present economic depression but the gambling spirit of the Bombay millionaires has contributed a great deal, and we are all suffering from that.

Mr. H. P. Mody: Shame.

Mr. B. Das: Thank you.

There is another thing. My friend, the Finance Member, has produced a very interesting document from Dr. Meek about the index prices, and a glance at it shows that the level of prices has gone down very much. Why does he not apply it to the Lee loot? The Lee concessions were given, because the prices had gone up, and the Services complained that, on account of their high standard of living, they must have some concessions. If the prices are so low now, why should these particular vested interests, the officials, continue to get these Lee concessions? That will bring out to my friend a good bit whereby he can lighten the burden of taxation.

[Mr. B. Das.]

Much has been said about the flight of gold from India and I do not wish to add to the agony of my friend, Sir George Schuster, to controvert his deduction that this flight has brought so much saving through the Savings Banks. I take this opportunity to congratulate my friend, Sir Leslie Hudson, for the admirable way in which he spoke. He has identified the European settlers' interest in India with those of ours. If my friends, the Europeans, who are here in business pursuits and who spend most of their life time except the last few years in this country, identify their interest with our interest and they feel sympathetically for the conditions of the masses and millions, then most of the troubles that have arisen in the past in this country or in England over commercial discrimination and other things will vanish and there will be friendship restored and full confidence brought about between European friends and ourselves. My friend, the Finance Member, talked of the £80 millions of gold that has been exported and from which the Government of India have had so much advantage. I know if I were in his place, I would have utilised the advantage, but I do not think my friend ever considers that great harm has been done to the masses. I was present in the House of Commons when they were discussing the reparation debt to America last December. England was to pay £19 millions to America and the whole of England was upset at the idea of 19 millions of gold being taken away from the Reserve Bank of England and sent to America. There was a full fledged debate on that occasion. Of course my friend knows that nothing said on this side will make the present Cabinet fall. They are secure and he views lightheartedly this flight of gold. I do not think more than £10 millions of it is really hoarded gold. It may be that the Sassoons and Birlas and Bombay merchants make 30 per cent. out of these things. I do not know how much my friend, Mr. Mody, has profited in this business. (Interruption by Mr. Mody). I am sorry, my friend, Mr. Mody, did not get a share out of this 80 millions of gold, of which 70 millions is distress gold. My Honourable friend, if he were a national Finance Member, would have stated this, in the gloomiest of gloomy language, but No. He was consolidating his position and thinking of booking his passage either this year or two years hence. I am not today assessing the work of my Honourable friend, Sir George Schuster, of his five years work as Chancellor of the Exchequer. I hope that the Government of India will give us an intimation whether my friend will continue for two years more. If he continues, we will have ample time to survey his work here, but, as I say, had he been a national Finance Member he would have spoken of the £80 millions of gold as national calamity which have been spirited away from this country, mostly to England. But he took advantage of this. That is a situation which we do not approve. He talked about the Lausanne Agreement, but that agreement is a dead letter. After Lausanne, came Ottawa, and, after Ottawa, is coming the World Economic Conference. It may be that England has won a prize at Ottawa. England will come out totally disappointed from the World Economic Conference, because America feels sorely that England could secure advantages of the Ottawa Agreement and then come to the World Economic Conference to dictate terms to America. So the Lausanne Agreement will never materialise, because America is suspicious of England. All the ideas, that my friend still entertains that the world will soon settle down and America will permit England not to pay those war debts, as England has permitted Germany and other countries not to pay their debts, will never materialise. There is no chance of any improvement in

the world situation and no prospect of any windfall owing to that factor. My friend suggested that the Reserve Bank was coming. Supposing my friend was the Governor of the Reserve Bank of India, would he have spoken in that hearty way about the £80 million flight of gold? Would he have allowed the strong room of the Reserve Bank to be depleted in this way? I read in the paper that my friend, while he addressed the all-India Economic Conference, told the Professors that they were wasting their time in not finding out what amount of gold and silver was still hoarded by the millions of India. I do not know whether any gold and silver is hoarded unless it is in Mr. Mody's Bank. I would ask him to use the whole machinery at his command and also at the disposal of my friend, Sir Harry Haig, to explore how much of this £80 millions that has been taken out of India is distress gold and how much is hoarded gold. Thereby not only will he give a lead to these Professors of Economics to carry on their research, but he will also silence the criticism which we are levelling against him that most of this is distress gold. At the same time, I must say, that from the budgetary point of view my friend has secured every advantage and the advantage has come, because the tax-payer has paid the maximum that he can pay and yet today the tax-payer cannot pay any further. Incidentally my friend will go down in history as the best friend of India who killed all import of foreign goods to India, because such high tariffs will not permit foreign goods to come any more. I do not understand why my friend, Mr. Mody, wants further raising of the tariff on Indian cotton piece-goods. Already my friend, the Finance Member, has helped him by these high tariffs. When I come to Mr. Mody's Resolution, I will have something more definite to say on this matter. What I am trying to say at present is this

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member's time is up.

Mr. B. Das: I will wind up with an appeal. I am still looking forward to my friend staying here a year or two more. I want him to fulfil the promise which he himself gave, which my friend, Mr. Bagla, quoted yesterday:

"Let him leave India not as a friend of the few capitalists, but as the friend of the teeming millions of India." (Hear hear.)

Mr. H. P. Mody: Sir, the Budget before the House is of such an uninspiring character that it has struck a chill in the heart of all my Honourable friends and choked off more or less even the voice of criticism. There is no doubt about it that it could have been easily better but I think I am right in saying that the general reaction to this Budget seems to be that of the man who was expecting to be blessed with triplets, but who was greatly relieved when it was found that it was only twins. (Laughter.) Sir, while this Budget is, as I have said, uninspiring, I find from the long and very illuminating survey which the Finance Member has made of the economic position of this country that there is a note of optimism and quite satisfaction running through the utterance. I shall be the last man to try and detract from the credit which is undoubtedly his due for the way in which he has husbanded the resources of this country and looked after its interests. Sir, at a time of unexampled difficulty, few countries in the world, I think, can present the spectacle which India presents today of a balanced Budget and of a sound financial position, which, in spite of the heavy taxation and other matters to

[Mr. H. P. Mody.]

which I shall presently come, shows a condition of affairs which many a Finance Minister in other countries would envy; and I join with my Honourable friend, Sir Leslie Hudson, and the other Members of this House who have expressed the hope that we may find Sir George Schuster in the very same place next year also. (Loud Applause.) May I also add the hope that when we find him again presenting a Budget, he will not have quite that lugubrious expression which seems to have settled on him during these two days, but that he will have a cheery smile on his face.

I would now like very briefly, Sir, to get at the other side of the picture, and when you leave on one side the question of India's credit, which undoubtedly stands high, and consider the general health of our finances, what do you find? In my opinion, the position is as unhealthy as it could possibly be. First of all, from the Finance Member's own figures you will find that in 1932, taking three of India's principal commodities, namely, jute, cotton and hides and skins, there has been an enormous drop in exports as much as 100 crores, over the previous ten years' average. Now, that cannot possibly be hailed as a sign of the returning tide or as something from which any man can derive satisfaction. Our position today is entirely due to the windfall of the gold exports: if they had not been there, the situation with regard to currency, finance and everything else would have been simply terrible. And while I agree with a great deal of the very lucid exposition of the position with regard to the gold exports which my Honourable friend has made, I take leave to doubt whether the position is exactly as he has stated it. Unfortunately a 20 minutes' speech cannot embrace every possible item which is of importance, but I would like just to remind my Honourable friend that this flow of gold started even before Great Britain went off the gold standard, and what I want to know is whether the country's consuming capacity has really appreciated, as it should have, when you take into consideration the fact that as much as 107 crores of gold was liquefied and should have gone into circulation. The other unsatisfactory position is that we are depending a great deal too much on our customs revenue. Sir, as much as 50 crores of our revenue is derived from customs and that is a position which must cause a very considerable amount of uneasiness in any man who takes a wide view of the finances of this country, because there are so many imports which are not only dwindling, but which should dwindle in the national interests, and which, therefore, would seriously affect our revenue position. Take textiles, for instance. My Honourable friend is quite pleased that textiles should have yielded him such a large amount of revenue. I regard that as a matter of positive misfortune to the country. I do not want to answer all my Honourable friends who have tried to have a dig at the interests which I represent. The time will come very soon in the course of this very Session; so I shall not try to reply to all my friends; but all I say is that we should visualize the position when the revenue from this source will dwindle down practically to nothing. I do not say that we can do absolutely without the import of textiles, but we must stop those enormous quantities of Japanese piecegoods pouring into this country, and which have brought to a standstill its premier national industry. Take the question of sugar. Sugar factories are springing up and this is a source of revenue which must vanish very soon. Then, again, there is the question of raw cotton. A great deal of misconception seems to prevail with regard to the imports of raw cotton. Some-

of my Honourable friends seem to imagine that the millowners are importing cotton in defiance of the national interests. I would like to remind them that the millowners, just as much as the Members of this House, may be expected to know their business. Therefore, when you find large imports of cotton coming into this country, you must try and understand why that is so. One of the reasons why the imports went up so enormously during recent months was that stapled Indian cotton was not available in large quantities. It was one of the shortest crops on record, and about the time the mills began to replenish their stocks, there was an actual shortage feared of stapled cotton, and, therefore, there was a rush to buy American cotton. I am afraid that foreign cotton will come until we are able to produce better types ourselves, and that this country's reliance on Egypt and Uganda will continue for some years. But, so far as the American type is concerned, I expect the imports to dwindle to a considerable extent.

Diwan Bahadur A. Ramaswami Mudaliar: What about the present year?

Mr. H. P. Mody: The present imports are certainly less.

Diwan Bahadur A. Ramaswami Mudaliar: In the present year, during the last nine months American cotton came in of a value of Rupees three crores 20 lakhs as against Rs. one crore 41 lakhs. I am taking the nine months ending December, 1932.

Mr. H. P. Mody: I am talking of the conditions ruling today. I say, that unless the cotton crop is very poor, both in staple and in quantity, we shall see no large imports of American cotton, and we should not rely on an excessive revenue from such imports.

A further unsatisfactory feature of the Budget is that retrenchment has been carried out in every single Department, and while I do not deny there is further room, you cannot get very much more from that source. I have repeatedly said in this House and elsewhere that I feel absolutely cold when I am told that such and such Departments have effected economies worth lakhs of rupees. How have these economies been effected? By throwing out tens of thousands of people on to the streets at a time of acute unemployment and distress. Therefore, while I am always for retrenchment, namely, for economy in the conduct of the Departments of the State, I think that the constant stress upon retrenchment from this side of the House is a little misconceived; the retrenchment that generally takes place is in one direction only, namely, chucking out a lot of people who need most to be kept in employment whether on reduced salaries or otherwise. (Hear, hear.) If you take these three things into consideration, the position today is as unsatisfactory as it could be. Then, where are we to expect our salvation to come from? I say, apart from any economies that you may effect, by cutting out a fat job here and a fat job there, the only way, in which you can restore the finances of India during the next few years until world prosperity returns, is by pruning down drastically your military expenditure and your salary bill for the Superior Services. For years, we have been talking about the military expenditure. I will say no more than that, although undoubtedly there have been economies and the Finance Member can take credit for them,

[Mr. H. P. Mody.]

we will not be satisfied with those economics. We want a complete overhauling of the machine so that the military forces of India are no more than the needs of India require, and that position we are very far from having achieved. It has been admitted by British soldiers of international repute that India's army is not kept solely for India's requirements.

As regards the salary bill of the Superior Services, I made the point in the Services Committee of the first Round Table Conference, that the thing of primary importance is to determine the emoluments and the conditions of service of the superior grades for future entrants, and have that question examined by a Commission straightaway. India cannot possibly afford the present scale of salaries even though it is a fact, which, I think, every one of my friends will gladly admit, that we have got a service which for efficiency, honesty and devotion to duty has not been equalled anywhere. But, after all, we can only pay what we can afford to pay, and we cannot continue with a service which is entirely beyond the resources of India to maintain. Unless, therefore, you attack the problem from these two cardinal standpoints, namely, drastic reduction of the military expenditure and of the salary bill of the Superior Services, you will never achieve financial solvency.

Sir, I will hurriedly pass by a few of the special features of this Budget. A great deal has already been said about the restoration of the cut. I will say no more at this stage than that it is rather a painful spectacle that at a time when India's export trade has diminished to such alarmingly small proportions, at a time when so much gold has gone out of the country, when the burden of taxation runs so high, the sole obsession of Government should be how quickest and best to restore the cuts in pay.

An Honourable Member: Charity begins at home.

Mr. H. P. Mody: We shall remember that when we get on to the Treasury Benches; we shall look after our own salaries first!

While this cut has been restored, income-tax which is bearing down so hard on all classes of people is still maintained at the same figure. As I have so often contended, our income-tax differs from the tax in Great Britain which, though it is much higher, is based more equitably. Ours is a tax not on income, but also on capital, because we are not allowed to carry forward losses. Only the other day I read a rather plaintive letter from a shopkeeper at Jullundur to the Income-tax Commissioner. The letter said:

"To pay your Honour's dues I am practising the utmost economy in family matters and disposing of all members and stopping further generation of new by living alone. Your Honour's will be done." (Laughter.)

I am afraid what this poor Jullundur shopkeeper felt about income-tax collection is what we all of us feel though we may not express it in quite that effective way.

I shall next touch the duty on artificial silk. I welcome it wholeheartedly, because it gives also a measure of protection to the industry, and I am very glad that the Finance Member has thought fit to come to the assistance of the industry and, at the same time, replenish the coffers of Government. But I do wish that he would equalise the duty on mixtures with the duty which he is imposing on all-silk goods; because

there is a great possibility of silk mixtures taking the place of the all-silk goods which Japan is sending in such enormous quantities and at such abnormally low rates.

About the tax on motor cars I do not follow the reasoning of my Honourable friend. I think the law of diminishing returns has most decidedly set in, and I am surprised that he can fly in the face of facts. If it is a question of luxuries, I have got figures here for a few years relating to other articles. Take ale, beer, whisky and wines, which I hope my Honourable friends on the Treasury Benches are consuming in as large quantities as ever before. I find that imports have not dwindled to anything like the extent to which the import of motor cars has dwindled. Take, again, toilet soaps and requisites, and canned provisions. These are all luxuries, but if you examine the figures of imports, you will find that they have not dwindled to anything like the extent noticeable in the case of motor cars. I regard it as a short-sighted policy that the Finance Member should continue to keep the tax on motor-cars, which are a real necessity in a large number of cases, at this high figure, and I might move at the proper time for a reduction of the duty.

Another thing on which I disagree with my Honourable friend is the duty on cheques. I do not think my Honourable friend has represented correctly what the Banking Inquiry Committee said. I have not got the time to read it out, but I shall refer him to paragraph 663 of the report of the Banking Inquiry Committee. Apart from anything else, I want to ask the Finance Member whether seven lakhs of rupees distributed between all the provinces is a matter for consideration. It is doing a real harm to the banking development of the country to re-impose this little tax which, after all, is going to yield a miserable 7 lakhs.

Sir, I would like to conclude on a lighter and more optimistic note. The whole world is passing through a period of unexampled difficulty. Depression has penetrated even the darkest Africa. I read a few weeks ago a letter written by a Kaffir to a local paper, describing the conditions which prevail in that part of the world. The letter said:

"Based on ruling cattle prices, wives have fallen in value by about 50 per cent., and a good fresh wife in terms of cattle may be obtained at £16 maximum. Second-hand and inferior maids are almost given away."

(Laughter.)

Sir, let us hope that the position of India may continue to be such that we can afford to pay a good stiff price for our wives (Laughter) and that even our inferior and second-hand maids will not be given away for nothing. (Loud Laughter.)

Mr. D. N. O'Sullivan (Bombay: European): Sir, I endorse every word said by my Honourable friend and leader, Sir Leslie Hudson, in his very trenchant speech, and I crave time for one or two small observations of my own. I congratulate the Honourable the Finance Member on the presentation of this Budget. I wish to extend to the Honourable the Finance Member my sympathy,—this is a very unsympathetic House as far as I can see. Everyone will agree with me that the duties of the Finance Member are, to say the least of it, extraordinarily difficult, and not the least melancholy and difficult part of his duties is to raise money by taxation. People seem to lose sight of that fact in the Budget discussion.

[Mr. D. N. O'Sullivan.]

In the course of the two days' debate—we are on the second day now—I have not heard, I should think, more than two suggestions of any kind for raising money by taxation than those, of course, referred to by my Honourable friend, the Finance Member. In the course of the last two days, I have heard observations about the struggles of the early Christian Missionaries. We have heard a graphic description of the yellow fever and reference has been made about Peter and Repeater.

Obviously my friend, Mr. Lalchand Navalrai, has spent many sleepless nights over the question of the separation of Sind. This morning one Honourable Member made a suggestion that capitalists from Bombay should begin to manufacture motor cars in this country. Whether the Government should subsidise this or not was not clear. Another point was put forward for increasing our income. Apart from these suggestions there was another suggestion that a small tax should be imposed on the export of gold and a suggestion from Mr. B. Das was about a tax on the sale of shares. There is not a single suggestion of any value to be placed before the Honourable the Finance Member, and, therefore, my sympathy goes out to him. I think I am right in saying that the Honourable the Finance Member, when he visited Calcutta, implored the members of the Bengal Chamber of Commerce and merchants generally to make a concrete suggestion as to taxes and, so far as I can read, nothing very concrete was put up and nothing very concrete has also been forthcoming from this House. The Honourable Members on the other side of this House, I hope, when they come to this side of the House in the future, will not find themselves in the very same trouble. The Honourable Mr. Mody mentioned the possibility of his going to the Treasury Benches, but he did not mention how to raise the money as a suggestion to the Honourable the Finance Member.

A statement was made about the condition of the ryots in this country. I have personal knowledge of that point. I heartily endorse everything that has been said on that subject. I go further and say that the condition of dock labourers is appalling in the sea ports of India today. Many of them cannot work week after week at all, as they are employed on one or two days a week, and the emoluments they get are not sufficient, but I have yet to hear any suggestion in this House as to the amelioration of the condition of those people and I also fail to see the connection between those statements and the task of the Honourable the Finance Member in presenting this Budget. It is very easy to criticise.

I very humbly put forward one small suggestion in respect of taxation.

I have no doubt that it has been taken into consideration before, 3 P.M. but I would press that it should be given the most urgent consideration in view of the necessity of raising money in these days without undue hardship. That is the question of death duties. We know in England there are Death Duties and a large amount accrues to the Treasury from that source. My humble suggestion is that there should be a levy of death duty to a small extent in this country.

An Honourable Member: Will this duty apply to the people who make money in this country and go to die in another country?

Mr. D. N. O'Sullivan: If you like to go into details, I will discuss the subject afterwards. The suggestion is that it may be a provincial matter, but a little reflection would show that it cannot be. There is no death

duty as such in this country. In certain circumstances applicants for probate and letters of administration are required to pay a small *ad valorem* court-fee when they go to Court. That is surely not in the nature of a death duty, and, furthermore, it is by no means certain in a large number of cases, where there is no difference among the heirs of a deceased as to the division of his estate, no application for probate or letters of administration is ever made to the Courts and, sometimes, in the case of large estates, Government must obviously lose very large sums of money in respect of that particular taxation. It is unnecessary for me to go into the details of such a scheme, but it must be obvious to anybody who considers the matter that it is a scheme which obviously must be worked in conjunction with income-tax and, in that respect, it must be an All-India scheme. For one thing it is necessary for the persons levying this death duty to have some idea of the incomes of the estate of the deceased person and, from that point of view, it is obviously desirable that such a duty should be administered by an All-India service and certain adjustments could be made for distribution of the proceeds of taxation between the provinces and the Central Government. That is my small suggestion.

There is one other observation I desire to make. Government have been pleased to extend their healthy assistance to local industries, such as the sugar industry, but it seems to me that they left out of consideration entirely that growing industry, namely, the flour milling industry. This might be a subject which could be dealt with when the Wheat Import Duty (Extending) Bill comes up, but I would like to say one or two words in regard to this.

The Flour Milling Industry is almost ruined due to the fact that their export trade in flour has passed into the hands of Australian shippers. The import duty on foreign wheat has enabled prices of wheat in India to be kept at a level much above the world parity. Australian wheat is selling today in England at 23s. 0d. per qr. On this basis the price of wheat in Karachi should be Rs. 22-4-0 per candy of 656 lbs. or Rs. 2-1-0 per maund despatching stations in the Punjab. Instead of this, the price is Rs. 29-12-0 per candy, *f. o. r.* Karachi or 33.75 per cent. above the parity of Australian wheat. It will thus be seen that the Millers in Karachi cannot, under such circumstances, mill wheat and produce flour in competition with Australian Millers. The export figures speak for themselves. They are as follows:

In the year—										Tons.
1927	.	.	.	.	.	.	.	.	.	36,850
1928	.	.	.	.	.	.	.	.	.	36,410
1929	.	.	.	.	.	.	.	.	.	24,800
1930	.	.	.	.	.	.	.	.	.	29,100
In the two recent years—										Tons
1931	.	.	.	.	.	.	.	.	.	24,700
1932	.	.	.	.	.	.	.	.	.	17,709

and I understand conditions are far worse this year from January onwards.

[Mr. D. N. O'Sullivan.]

The Import Duty on Wheat was imposed in March, 1931, and, because of this, flour exports in 1932, dropped to 17,709 and this year they have fallen to a very low figure. Foreign flour is going to Aden, Colombo, ports in the Red Sea and Persian Gulf, which ports at one time drew their supplies from Karachi, and, therefore, I submit that the Government should do something to protect this indigenous flour milling industry in India. It is a matter which should be given serious consideration.

Khan Bahadur Makhdum Syed Rajan Bakhsh Shah (South-West Punjab: Muhammadan): (The Honourable Member spoke in the vernacular, a translation of which will appear as an Appendix in a later issue of these debates.)

Sir Cowasji Jehangir: Mr. Deputy President, the Budget which my Honourable friend has presented can well be called a *status quo* Budget. My friend sitting behind me has characterised it as uninspiring. I wonder whether he would have preferred to have an inspiring Budget with proposals of increased taxation. Personally, I prefer these uninspiring Budgets.

Sir, the Honourable the Finance Member has devoted a considerable amount of time in the very lucid and lengthy speech that he made to explaining the sound financial position of India and to stating how our credit has improved. I wish he had addressed those words to an Assembly across the seas. We have heard in a country seven thousand miles away of our lack of credit. We have been told that our borrowing powers would diminish. We have in our Finance Member a champion of India's case to prove her financial stability and that her credit will remain as sound in the future as it is today. I do not for one minute believe that India will ever repudiate the dues that are justly demanded of her, nor will she, either inside this House or outside it, refuse to meet her obligations. (Hear, hear.) Sir, a time may come under the future constitution, when there may be enthusiasts in this House who may ask for far reaching reforms to raise the economic position of the masses, reforms that may cost vast sums of money; but I feel confident that the common sense of our people will, on the other side, balance any wild or unpractical schemes that enthusiasts will put forward in the future Legislature of India. (Applause.)

Sir, I have called this Budget a *status quo* Budget. I wish that the *status quo* did not apply to last year, but to a few years ago. The Honourable Member, during the five years that he has been in charge of our finances, has been forced to levy on this country taxation of an unprecedented character. When he last suggested his surcharges, he hoped for a surplus of 9.11 lakhs without taking redemption of debt into calculation. That dwindled down last year to an estimate of 2.20 lakhs. Again, this year, it has been raised to 4.15 lakhs. That is to say, when he suggested and got this House to accept these surcharges, he expected a surplus exactly twice as large as the surplus the revised estimates now prove we shall have. Notwithstanding the request he makes to us of continuing this exceptionally high rate of taxation, he can only show a 42 lakhs surplus. Sir, I do suggest that this is not a happy state of affairs, but he has warned us that we shall find that the Budgets of most countries in the world will be similar to ours. I presume he means that

the Budgets of most countries will impose the same taxation for the coming year as they did for the last, and, therefore, his proposals will not be found to be very different from those of other countries. It may be so. But, at the same time, let us not be carried away by the optimism of my Honourable friend. We were in a bad way, and we continue to be in a bad way, and nothing will prove to this House that these bad times have ceased until he can bring forward proposals to decrease taxation. I know it is not possible for him to do so this year. I am prepared to accept the position. I think it is right that this year we should have a balanced Budget. Under any circumstances, whatever burdens we may have to bear, we should be prepared to have a balanced Budget. But that does not mean that all is well. Who has bearing this brunt of taxation, and who is it that has enabled my friend to produce a balanced Budget? It has been the people of India, and I think my Honourable friend will give the people of India their due credit for having assisted him and this country to bring about this equilibrium. Sir, the taxpayer was not accustomed to have his rates of income-tax raised from year to year. From 1922 to 1930, the rates were stable. The rates were increased in 1930, 1931 and again in September, 1931. In the different grades I find that the increase of taxation has been from 50 to 122 per cent. That is no small amount, and notwithstanding the fact that we have accepted these increases, we find that with the lower rates that prevailed between 1921 and 1930, the highest amount that the Finance Member of this country obtained from income-tax was 21 to 22 crores, while with the increases I have stated he now estimates only a 18½ crore return. I think that should give us food for thought.

How long is this state of affairs to continue? I make bold to say that by a further increase of income-tax, my Honourable friend will not get the proportionate returns he should expect. The law of diminishing returns will set in and I am not by any means confident that he is going to get his 18½ crores for the next year. Nobody is better acquainted with the position today in India than the Honourable the Finance Member. He knows as well as any of us here the state of trade and commerce and industry and I would appeal to him, although we may be prepared to accept his suggestions this year, to consider what he can do in the way of reducing income-tax, at least for the poorer man. Not for the last many years has the man, with an income of between 1,000 and 2,000, been taxed. I would suggest to him that that class of man should at least have his sympathy and that his first action should be to relieve the man whose earnings are between one thousand and two thousand from paying income-tax.

Sir, my Honourable friend has most lucidly dealt with the question of the export of gold and I think many of my friends, who are not Members of this House and who have been his severest critics, will find it very difficult to answer the case he has made out for his policy. The whole question is whether this export of gold has done really any harm to the interests of the country as a whole. We are told that Government are depleting themselves of gold by allowing this gold export. I have not been able to follow that argument. Government have not parted with any of the gold they had. They have certainly allowed the individual to part with his own personal property which he may have held in gold. You will remember that there was a rush to sell gold even in England. When the Bank of England was being depleted of gold, the English people in their thousands came forward to sell their trinkets.

[Sir Cowasji Jehangir.]

Why? They got a price for their gold which they had never heard of before. That did not mean that the Bank of England was depleting any of its gold resources, because the Government allowed the people in the country to sell their gold. Sir, there is no doubt that a certain portion of the gold our people have sold must have been distress gold, but I cannot bring myself to believe that a greater percentage of it can be so characterised and I will give you my reason, which is a commonsense point of view. I do not profess to be a great authority on the subject. There have been times when the agriculturist has been in great distress due to famine, bad crops and other causes. Has he, on those occasions, years ago, come forward to sell his gold? He did not. Then, why was it that when he was hard pressed within the last two years he suddenly thought of his gold stores? It was because he was offered a price for the gold which he had never dreamt of realising in his life and he thought that it was a good time to sell. It is a fact and I think the Honourable Member has conclusively proved it by his own figures that a good deal of this gold has been used to finance imports. It is a surprising fact that 40 crores of gold was during the ten months of the current year used by the people of this country in importing from abroad what I may call, the necessities of life. On his own showing there is a difference of two crores between exports and imports. Add to that 38 crores of duty. You get 40 crores.

An Honourable Member: Why don't you add the duty on the exports which go out?

Sir Cowasji Jehangir: That does not affect the question. 40 crores, therefore, the people have paid and it is quite legitimate to say that the 40 crores have come out of the sales of gold. Now, that is not a hopeful sign. It is a most depressing fact that to finance your imports, most of them necessities of life, the people had to spend 40 crores of money obtained from the sales of gold. Notwithstanding this it has been a godsend to the Honourable the Finance Member, and—I do think it has done no great injury to the interests of the country as a whole. It has helped to tide over a very critical time, but the Finance Member has himself said that the accumulations of gold in this country can only stand twice as much exports as have taken place up to now and when you come to consider that these exports took place within a very short time, I do think that too much reliance should not be placed for the future or the immediate future on further exports of large quantities.

Sir, the Finance Member has supplied us with facts and figures which are of the most interesting character and may I, without being audacious be allowed to congratulate him on his Budget speech, a speech which, leaving aside the lucidity with which he delivered it, contains material which will keep us busy thinking for many a month to come. I do not remember having seen a Budget speech with such facts and figures. My Honourable friend has placed before us facts and figures on which his conclusions are based. We may disagree with him. It is impossible to deal with a Budget of this character in the few minutes at our disposal, but his cloth figures are the most interesting. What do they go to show? They go to show that the people of this country bought a larger quantity of cloth even considering the increase in the population. The total increase in cloth is 18 per cent. The comparative increase of the population is five per cent. taking the same ratio, because one is the ratio of

ten years and the other is the figure for 1932. Therefore by deducting five from 18, it leaves you 13 per cent. I say, this country has consumed 13 per cent. more of cloth, notwithstanding the increase in the population; but it has paid only 76 per cent. of the normal value. What does that show? It shows that it had been starved of cloth during the past years. When the prices of cloth fell below the manufacturing costs the people came to buy, but, unfortunately, Mr. Deputy President, and I would like to impress this fact upon Honourable Members, it was not cloth manufactured in this country; it was cloth manufactured abroad; and, what is more significant is the fact that instead of receiving three crores odd in customs duty on textiles, my Honourable friend is going to receive six crores odd. That is all very well and good; but as my Honourable friend pointed out, it tells a story and I do hope that all Members on the Government Benches will take the story to heart and that, when they do consider the future of the textile industry, which they will do in a few months, they will remember the significant figures that have been placed before this Honourable House by no less a person than the Finance Member of the Government of India.

With regard to the salary cuts, Sir, expressions of opinion have been plentiful. Now, when there was two crores 17 lakhs of surplus, there was a cut of ten per cent., but when there is going to be only 42 lakhs of surplus, my Honourable friend is going to return five per cent. Is that justified? Is it justifiable, I ask, to continue to tax the man earning from Rs. 1,000 to Rs. 2,000 and to return five per cent. of the salary cut? If my Honourable friend had come forward with a proposal to reduce that rate of taxation on the man earning Rs. 1,000 to Rs. 2,000 and then proposed to return the five per cent of the cut, he might have had some justification. But it is no use beating a dead horse. The opinions of both Europeans, who do not happen to be members of the services, and of Indians, who also do not happen to be members of the services, are well-known; and I do think that perhaps it is one of those cases in which, if left alone, my Honourable friend would have acted otherwise. After all, let us realize that, till the reforms come into force, my Honourable friends opposite are not the "Government" of India. They are merely the agents of the Secretary of State, and, therefore, it does seem hard that we should, day in and day out, criticise them for actions which may not be theirs. Now, I am led to believe that this restoration of five per cent may be one of those occasions and, therefore, I do not desire to go any further.

Let me congratulate my Honourable friend on the Budget that he has presented. Let us hope he will continue to be in his seat at least till the reforms come in and that he will be able in his time to give us real substantial relief, and let us hope that Providence will so guide the destinies of the world that there may not have to be another emergency Budget. Sir, I call this a *status quo* Budget; but let us not be mistaken it is an extension of a Budget which my Honourable friend himself has called an emergency Budget. (Applause.)

Kumar Gopika Romon Eoy (Surma Valley *cum* Shillong: Non-Muhammadian): Sir, at the outset let me congratulate the Honourable the Chancellor of the Indian Exchequer on the very nice Budget he has presented to this House. (Hear, hear.) Sir, I shall not labour to criticise the Budget in the way that my Honourable friends have done. I want simply to bring out a few points which relate only to Assam.

[Kumar Gopika Romon Roy.]

Assam, Sir, though a part of India, is like an island: it is separated by two big rivers,—the Brahmaputra and the Padma, so our interests are not quite the same as those of the other parts of India. But, unfortunately, Sir, we get very little chances of ventilating our grievances before the House; and that is just why I was telling a friend of mine the other day that it would have been much better if the proxy system could be introduced into the Assembly.

An Honourable Member: Proxy system?

Kumar Gopika Romon Roy: Sir, it is needless to dilate on that. There has been a lot of wailing, there has been a lot of outcry from year to year on the floor of the House; but, Sir, very little redress has been vouchsafed from the other side of the Benches; and that is just why I was saying to some friend the other day that it would have been much better and moreover it would have effected a much-needed saving of the Government if there could have been a total abolition of the system of representation in the Assembly or in the Councils. (Hear, hear.) (A Voice: "Total abolition?") Yes,—because our grievances are not heard, and there is no redress. Only this morning, many of my Honourable friends have said that the Honourable the Finance Member is simply playing the tune which is played from Whitehall. Well, be that as it may, as long as he is the only target, so long shall we aim all our grievances for redress at his Budget. Well, Sir, the Honourable the Chancellor of the Indian Exchequer has laboured hard for doing away with five per cent. of the salary cut, but he has, in drawing up that Budget, done so from the point of view of the capitalists and not from the point of view of the agriculturists or the cultivators of India. (Hear, hear.) He has, in a word, if I may say so, carried coal to Newcastle and not given a piece of bread for the hungry millions who are in this country. Sir, the fate of the agriculturists in this country is a miserable one. They can hardly purchase the commodities which are required for their daily use. Sir, it will be a sight for any one to pass through the villages of Assam,—I have no experience of other parts of India of the present financial crisis. The Honourable the Chancellor of the Indian Exchequer has travelled in the palaces of Simla and Delhi, Ottawa and London, but he has not cared to go into the heart of India. I am tempted to invite him once to the huts and hamlets of Assam from where I come. The price of paddy which was sold for Rs. 3 or Rs. 4 per maund in previous years is now Re. 1 a maund. The price which it fetches in December is lower, and you get less for the same amount than you can get in March and April. But this year in December the price of paddy was Re. 1 per maund and now it is under 12 annas a maund. In the face of this state of things we are asked to pay surcharges. Sir, my income in the collection of rent in previous years at the Puja time (October) was something like Rs. 25,000, and this year it is Rs. 1,500. Still we have to pay surcharges. And, if default is made in that, Rs. 500 is levied as fine. That is the condition of the country, and still the Honourable the Chancellor of the Indian Exchequer says that he is gratified that he has been able to place before the House a well-balanced Budget. Such a well-balanced Budget should be more clearly explained. Sir, the circulation of money has been stopped in the country, the purchasing power of the general public has been diminished, the price of land has gone down abnormally, the price of an acre of land

which used to fetch Rs. 100 does not fetch even Rs. 10 now. All the people, who had a little surplus, have gone funky, and that is why there is this rush for cash certificates and treasury bills, Government Securities, etc. Then there is another danger. There are motor dacoities, looting and plunder, postal dacoities and so on, all over the country. Every day the columns of the newspapers are filled with all these details and our mighty police are satisfied with giving them a political colour. That is how the police are doing their duty. Sir, when there is a flood in the country, people rush to the hills and even to the jungles in order to save their lives. Can any one consider hills and jungles as safe places? If that be the case, then this Budget also is a balanced Budget.

Then, I will turn to my planter friends. Sir, tea plantation has gone from bad to worse. A garden like Dewan, which was the greatest garden in the Surma valley, was about to wind up its business. Other gardens have stopped work and they work for four days or five days in a week. The rate of wages has gone down from four annas to something like two annas for males, and from three annas to six pice and two annas for females. That is the condition. Now, after the Russian agreement and the restriction of outturn, the state of affairs is somewhat better, but this also cannot be thought as a natural improvement. It is an artificial increase and it cannot be considered as one of the improvements towards the best. So both the agricultural products, namely, tea and paddy have gone. The jute also tells the same doleful story. Still we are asked to pay higher rates of postage, i.e., three pice for post cards and five pice for envelopes. For this I think many people have given up writing letters altogether. When one man goes from one village to another, he carries a bundle of letters with him.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadian Rural): It is an offence under the Post Office Act.

Kumar Gopika Romon Roy: I do not know whether it is an offence, but what can they do in this state of affairs?

Sir, there is another thing. The civil court decrees for realisation of money have been ineffective. I have heard a lawyer saying that the real misery of a man begins when he obtains a decree, and that is what we are experiencing now. One gets a decree for Rs. 5,000; but when he goes with the attachment, he does not get even Rs. 500. May I ask, why people should be asked to pay court-fee on the face value of the demand and not on the realisation value? What justification is there for it? Then, there is another thing

Hony. Captain Rao Bahadur Chaudhri Lal Chand (Nominated Non-Official): Sir, does the Honourable Member mean to suggest that the decree once passed should be paid out of the Treasury?

Kumar Gopika Romon Roy: No, I mean the realisation value, the amount which you actually receive. That is my argument. I pay you an amount for realising a certain sum, but if you cannot give me that sum, you are bound to give me a refund on the proportion of the amount realised.

1532

LEGISLATIVE ASSEMBLY.

[3RD MARCH 1933.]

[Kumar Gopika Romon Roy.]

Then, Sir, in Criminal Courts the criminals, such as thieves, plunderers, and so on, were being gaoled. But now a new idea has been introduced. Instead of putting a criminal into gaol, too much stress is being laid on fine and that fine is also often realised by instalments. From this description of my mufassil experience, it will be apparent to the Honourable Members of this House how law and order is being preserved in the country. I do not know anything about this City of New Delhi, which is a City of palaces and *polices*. Under these conditions, we are again going to be burdened with a few more taxes, as if we are beasts of burdens, as they say in Hindustani "Dhobi ka gadha hai" and we ought to carry on whatever load our masters may put on our back even if the burden breaks our backbone.

Sir, may I ask the Honourable the Finance Member one thing? A lot of petrol duty is being realised from Assam. In the Imperial Services, Assam has not got a fair proportion, nay, I should say, one. Why? Because on communal questions, Hindus and Mussalmans fight in other provinces and even cyclones are seen to blow in the Parliament of ours, and they get preference, but poor Assam is always left in the background and that is because there is hardly any one to cry for them or to fight for them. Sir, with this woeful tale, I beg to conclude my speech and I pray that the Honourable the Chancellor of the Indian Exchequer will do his best in removing these grievances of my constituency, and for which I am thanking him in advance in anticipation.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muham-
 4 P.M. madan Rural): Sir, we have had a fruitful debate for two days in the course of which Honourable Members have passed in review the Honourable the Finance Member's Budget and the financial statement. If Honourable Members would turn to the opening passage in his speech, they will find the following words:

"The story which I have to tell"

—he says—

"This year of the public finances of India is a simple and—viewed merely as a matter of public finance—a satisfactory one."

That it is a simple story admits of no doubt. Honourable Members in this House will recall the genesis of this Budget in September, 1931, when the Indian public were electrified by a telegram from England that England had gone off the gold standard and we were told in the graphic language of the Honourable the Finance Member that he borrowed the Viceregal motor car and immediately hurried to the Post Office to prevent the threatened raid upon the Indian Banks. That was a time for the maximum revolutions of the motor engines and incidentally for the maximum revolution of the thinking mind. It was a time not for thought and reflection, but for action, and if, instead of the expert that he is, we had the merest tyro in the place of the Honourable the Finance Member, the thing that would occur to him would be: I wish now to balance the Budget—a deficit is inevitable in consequence of the financial policy, the exchange policy of England, and I wish, therefore, the customs to be surcharged, the income-tax to be surcharged, and there is an end of the trouble. That was not the time for the scientific adjustment of taxation,

and I grant that when he stood in his place in the special Session of 1931, he justified his emergency Budget on the ground of that emergency. That was his one justification and that was his sole justification. A voice of criticism was thrust aside in view of the appalling emergency which faced this country and the Budget for the next 18 months was passed in spite of the murmurs and protests from the Members on this side of the House, but, at the same time, the Opposition were unanimous in asking the Honourable the Finance Member to take time by the forelock and utilise the intervening period of 18 months to set his house in order, and, therefore, Sir, I ask you, and through you, the Honourable the Finance Member as to what account he has given to this House of the 18 months' campaign of economy upon which he had embarked. He shall have done his duty, if he certifies that both on the civil and military side that maximum of economy has been effected, which it was the duty of the Government to carry out and which the national emergency made it imperative. I know that the Honourable the Finance Member set up various Retrenchment Committees dealing with the various Departments, and I also know that last year and this year he had shown to this House many good results of the many recommendations of the various Retrenchment Committees, but the Honourable the Finance Member knows, as well as we do, that the effecting of retrenchments in the various Departments at this stage is not a mere matter of arithmetic, but it is a matter of high policy, and how far the Government of India had been able to influence their masters in the White Hall to accept the policy which this House impressed upon the Government of India is a question upon which this House is entitled to ask the Honourable the Finance Member for an answer.

Sir, let us take the three or four expending Departments of the Government of India. Take, for example, the Military Department, the defence. The Honourable the Finance Member has congratulated the Army upon the great sacrifice they have made in reducing their military expenditure, and I join with him in congratulating the Army upon the small economies they have effected within the limits of their power, and I have no doubt that the Honourable the Finance Member had striven his hardest to effect the alteration of policy without which large economies are out of the question. But when we consider this important question, we cannot forget that, as far back as 1929, the Statutory Commission unanimously and strongly recommended that a part of the army expenditure must come out of the Imperial Exchequer, and this House for a generation has been protesting against the unjust levy of what is known as the capitation charges which come to about 2½ to three crores per annum, and it is an open secret that the Government of India, though paying these heavy charges out of the revenues of this country, have been protesting time and again against their exaction by the War Office in England and we were told that a tribunal would be appointed and has been appointed and that an early decision would be reached and that decision would have a retrospective effect, if I remember aright, from 1927. I should like to ask the Honourable the Finance Member two questions in this connection: the first question is, what has become of the Government of India's fight against the capitation charges? Is the matter still under consideration? Is it still eliciting consideration as it has been doing for the last twenty years, and, if so, how long will it be before a final decision is reached? The second question is, during the last twelve years that I

[Sir Hari Singh Gour.]

know of, and for many more years before this Assembly came into being, it has been one of the main grievances of the occupants of these Benches that the army policy in India must be radically altered and that the post-mutiny ratio of one to two of Indian troops must be altered, and Indianisation not only in the higher ranks but also of the rank and file as well as a steady reduction of the British troops in India must be effected in the interests of economy. I remember two and a half years ago, and again twelve months ago, harking back to this question and asking the Honourable the Finance Member what steps he had taken for the reduction of the white army in India and the Honourable the Finance Member said: "You cannot reduce the white army without giving a year's notice". Well, he might not have been able to give notice on the spur of the moment, but I should like to ask as to what effective steps the Government of India have taken for the purpose of effecting substantial economy in this matter. The third question in this connection also referred to the tribunal that has drawn up a report on the question of Imperial contribution. On all these questions the Government of India should impress upon the Home Government the necessity of an early decision without which large economies on the military side are impossible.

Turning to the civil side, we have been assured by one of the occupants of the Treasury Benches that it is the intention of the Government to revise the scale of salaries for fresh entrants, and the Members on this side of the House have for several years been urging that if the Government of India accept the recommendation of the Lee Commission that in the transferred field the services must be provincialised and localised, what action have the Government of India taken to give effect to that unanimous recommendation which would have meant substantial economies under the head services. Then the Honourable the Finance Member has told us that there has been a decline in the export of Indian goods and that our imports are being partially paid for with Indian gold. The Honourable the Finance Member, referring to this aspect of the question, has admitted that payments for some of these imports have come out of the people's reserve: in other words, it is an admission that India is living upon its capital in purchasing the simple commodities necessary for her daily wants. That is a sad picture.

Turning now to the various Departments, we have a gloomy picture. The other day when we had the railways before us, six to eight crores of rupees had to be found to make good the loss, out of the depreciation fund. We have the income-tax revenue, which, in spite of the 25 per cent. surcharge, has fallen to about 18 crores; we have the Posts and Telegraphs where also, in spite of the surcharge of 25 per cent., there is still a net loss on the working of the Department. We have other Departments of State where you find a steady decline in income, and there can be no doubt, as some Honourable Members have pointed out, that we have reached a stage when the law of diminishing returns is actively coming into operation. Now, what I should like to know is this: the *ad hoc* taxation proposal of 1931 devised for a period of emergency threatens to be a normal Budget provision. The period mentioned in September, 1931, according to the Honourable the Finance Member, would expire on the 31st of this month, and yet the same emergency measure is sought to be extended for a further period of twelve months. In view of the depressing state of affairs to which I have adverted,—and

Honourable Members by casting their glance through these pages would be able to implement the few facts which I have given by way of illustration—I should have expected that the Finance Member would thoroughly overhaul the financial side of the Government of India and ruthlessly cut down expenditure and force upon the Home Office the desirability of following a new policy of economy and retrenchment.

My Honourable friend, Sir Cowasji Jehangir, describes this Budget as a *status quo* Budget. I should have been glad for small mercies if it were merely a *status quo* Budget; for while the taxation remains at *status quo*, the expenditure has increased by the remission of five per cent. cuts in the salary of the services and other remissions given out of the surplus that was received and expected. When I turn to the question of these surpluses, Honourable Members will recall the history of the last year's Budget when we wanted to make a cut of a reasonable sum of three crores, but the Finance Member was unable to see eye to eye with us. I ask the Finance Member to say as to whether we were not right in forcing the hands of Government in cutting down expenditure to the tune of about three crores. I think if Honourable Members will remember the cut they had made last year, they will have every thing to congratulate themselves for, and if the Finance Member had accepted those cuts, it would have strengthened his hands in moving the higher authorities and giving him the power to revise the expenditure of the Government of India. Sir, we have been told that everything in this Budget is very satisfactory. That reminds me of a physician who comes and feels the pulse of a patient and says that it stands at 106° and that the patient is in a delirium. He asks the patient: "What is the matter with you?" And the patient says: "I do not know". The physician says: "Your organs are all right, your spleen is all right, your liver is all right, your heart is right, your abdomen is all right, and everything is all right". But then the patient asks: "How is it that my temperature is 106°?" We were told, my dear friends, if your temperature is 106°, think of your neighbours, their temperature is 108°. Feel happy that your temperature is only 106°. But then he says: "That fellow next door is a younger man with a large staying power, and he might be able to outlive me with his 108°, my staying power has been depleted by a succession of bad years and famished food",—but the physician says—"My good friend, so far as you are concerned, when you die, one of my friends in the back Benches proposes to impose a death duty upon you". (Laughter.) "And why should you be sorry? Death will be a happy release not only of yourself, but of all your estate, moveable and immoveable". Such is the counsel, Sir, that Honourable Members give from back Benches of this House, absolutely irresponsible as they must feel themselves to be when they speak of death duties and the rest of it with a light breath.

Sir, one more word, and I have done. Honourable Members will remember that the whole trade policy of the world of currency and of exchange is going to be reviewed in the world economic conference in the near future. The Honourable the Finance Member must be aware that the preliminary agenda of this economic conference has been published, and I should like the Finance Member to assure this House that before any decisive step is taken by the Government of India, this House will be consulted and it will not be relegated to the background as it was when the Ottawa Agreement was entered into by them. I hope, Sir, that the mistake of the past will not be repeated, and that the Government of

[Sir Hari Singh Gour.]

India will not commit themselves to any definite policy in connection with the world economic conference without consulting this House and without taking into confidence the popular Chamber whose decision may not bind them, but whose decision is certainly worthy of consideration.

Sir, having said this much, I must also end with a note of optimism and felicitation as many friends on the Opposition Benches have done. The Honourable the Finance Member has reminded this House that this is his last speech in a normal term of five years

Several Honourable Members: No, no; he will come next year.

Sir Hari Singh Gour: We may also remind the Finance Member that this is also our last speech in the normal term of the life of this Assembly. Consequently, a great deal of mutual sympathy must come in and go out, because we are told, we are on the eve of expiry of our time. But as we hope that there will be a temporary respite, we equally hope that we shall also have a respite in the case of the Finance Member, and thus, not in the capacity of an irresponsible bureaucrat, but at any rate in the capacity of a friend and colleague, he will be still with us next year and thereafter to guide and assist us in unravelling the tangled skein of Indian finance. We feel certain that when he is freed from all embarrassments and trammels of office, from the limitations imposed upon him by the very necessity of his irresponsibility to the popular Chamber, he will be a very different Financial Adviser to what he is and has to be as the Finance Member of an irresponsible Government.

Diwan Bahadur A. Ramaswami Mudaliar: Sir, as I was listening to the speeches of the various Honourable Members during the last two days and hearing how they began their speeches with congratulations and ended them with a condemnation of the Budget and of the Finance Member, I thought to myself whether the Biblical lines were not passing through the mind of my Honourable friend:

"Woe, unto Thee,

When all men speak well of Thee."

I think, Sir, the Honourable the Finance Member has done the best that he could under the circumstances in which he finds himself and the limitations that are necessarily imposed upon him in his high and exalted office. I shall not indulge in what I may call a congratulatory condemnation, but I shall refer to only a few points that arise from the speech of the Honourable the Finance Member. I should like, first of all, to refer to the restoration of the five per cent cut in salaries, not because I want to beat a dead horse as my friend, Sir Cowasji Jehangir, pointed out, but I wish to draw a lesson therefrom, and I want to impress upon the Finance Member and, through him, on those who are behind him in the advice that they give him in this respect, the importance of one consideration. I do not grudge the restoration of the cut in salaries to my friends of the civil service, but I do venture to think that in spirit, if not

in letter, the promises which were made at the time when this cut was made and the surcharges were levied have not been fulfilled by the Government of India. Speaking in September, 1931, on the necessity for imposing this cut, the Finance Member said that "these cuts should be of a temporary nature and not extended beyond the need of the present exceptional emergency. Its justification is the need for a common sacrifice in a national emergency." I ask the Finance Member to say whether that need for common sacrifice has ceased to exist at the present day. When you find that every other section has been called upon to make a sacrifice, when you are preserving your surcharges on customs duties, when you are retaining your surcharges on income-tax, when you are keeping up your rates on post and telegraph duties, when you are continuing your increase of passenger rates, when every section of the community has been asked to make that sacrifice, when the economic position today is just what it was in 1931, except for the fact that the Budget has been balanced, I ask my friends whether the Finance Member has been carrying out his promise in spirit when he restores the cut only for the services of this country

Mr. W. W. Smart (Bombay: Nominated Official): They have been paying taxes like you.

Diwan Bahadur A. Ramaswami Mudaliar: Did you not have the surcharges removed at the time? But apart from that was not that consideration present when the Finance Member made his proposals? Did it escape the notice of my friend, Sir George Schuster, when he made that statement? When every other community has been asked to continue to make the common sacrifice what justification is there to propose that this five per cent. cut alone should be restored? Has the position of the services been worsened since 1931? How has the position of any other community or people been brightened since those days? I did not want to make these observations. I was going on to say that I do not grudge that this cut has been restored. If my Honourable friend had waited a little, he would have found that my point was quite different, and I shall proceed to elucidate it. Turn again to another passage of my Honourable friend, the Finance Member. Finance Members should be very chary of forecasts and predictions, but they occasionally do have lapses and make these unfortunate forecasts. Let me quote what my Honourable friend said on that occasion:

"It is perhaps forecasting events too much to say in what order these reductions should be made. But there are certain principles which we consider must be observed. Relief must come first in restoring the emergency cuts in pay and, secondly, in taking off the surcharge on the income-tax now to be imposed."

Then, my Honourable friend continues:

"I think we may predict with as much certainty as is possible for any such forecast that these special impositions will not in any case be extended beyond March, 31, 1933."

They have been extended, for although the cut in salary has been partially restored, every other surcharge continues to be where it was. Not merely that. If the Honourable Member had said that this five per

[Diwan Bahadur A. Ramaswami Mudaliar.]

cent. cut will be restored to the services at the present moment, because we do feel that we are under some sort of obligation to them, I would not have quarrelled, but the emphasis that the Honourable the Finance Member has laid on future policy, that whatever may be the result, the first charge on any surpluses will still be in the restoration of the full cut, I should like to enter my protest. No, Sir. That will not be fair. I know that what has been done cannot be undone. I know that even before the Assembly has had an opportunity of expressing its opinion, not merely the ukase of the Finance Member of the Government of India has gone forth, but Parliament itself has passed its Statute on this subject restoring the five per cent. cut. We, therefore, have no alternative but to accept the position. But, even at this late stage, I venture to suggest that when the time comes next for thinking of surpluses and their allotment, the Honourable the Finance Member will be well advised to note the considerations that have been urged by every section and every community, that the income-tax payer also must have some little consideration in this matter. Perhaps a simultaneous advance in these matters may not be quite unfair.

I come now to the question of the loan operations of the Honourable the Finance Member. I am glad that the House has congratulated him and I wish to join in the congratulation that the Honourable the Finance Member has been very successful in the recent conversion loan that he has floated. But I wish to ask him one question. You have converted your rupee debt here. You have floated the debt and it has been a fairly good success. You expected 20 crores, but you got 33 and one-third crores, but what about conversion operations in England on your sterling loans? What steps have you taken to see that conversion is made of these sterling loans on which you are paying such high rates of interest? Have you moved in the matter? Have the Government of India taken any steps? I was present in England during the time when an operation on the most unprecedented scale was carried out successfully by the Chancellor of the Exchequer in England. Two thousand million pounds of loan was converted within two or three months successfully by the British Treasury in England. Was it not possible for the Government of India to approach the Secretary of State and, through him, His Majesty's Government and ask that in that huge conversion loan we also might have a little bit of help, a little bit of consideration? Have the Government of India done it? If they have done it and if they found opposition from the other side, they would stand acquitted of any charge. But if they have not moved in the matter, I think it is fair to suggest that the Honourable the Finance Member has not been diligent in the prosecution of economy and taking advantage of these facts and factors which have been so patent to the financial world during the last few months.

Now, let me make it clear that I am not one of those who are enthusiastic from the public point of view of the fact that there is cheapness in the money market and that the holds of banks have been glutted with money. I think it tells its own sad tale. It means that trade and industry are paralysed, that because there is no other source of investment, they are coming to Government securities and putting it in at two per cent. in England and four per cent. in this country. Everybody knows that, for the last ten years at least, there has never been a four

per cent. rate for Government paper and the fact that the public come in and invest at that rate shows paralysis that has overtaken the industry in this country. The huge conversion loan in England shows the paralysis that has overtaken Great Britain in her commerce and industries.

Now, Sir, let me refer to a point which has been referred to in the Budget by my Honourable friend. My Honourable friend is a financial purist. The Government of India is a financial purist. He makes provision for the payment of war debts. He makes provision for the instalments in the current year and for the full payment of the whole of the war debt, that is due, next year. We know that there is a great deal of talk about these war debts in other countries. The Finance Member will realise that there is a possibility that the war debt may be reduced or ignored or repudiated. Now, why has the Honourable Member been anxious to make this provision? He says that there has been no demand made by the Government of Great Britain on India. He knows that these demands cannot be met by the other dominions. Australia cannot pay. Canada cannot pay. South Africa will not pay it. Great Britain has not made a demand on these countries. It cannot make a demand on India without simultaneously making demands on its colonies or dominions as they are called. With what motive then has the Honourable the Finance Member made a provision for the payment of this war debt in the current Budget, the half yearly debt that we owe? Why not wait till the demand comes? Why show your anxiety almost to get rid of this amount which is owed to Britain? I am not one of those who is for repudiation of debts. I wish to make my position perfectly clear. There was a suggestion made yesterday that because one Assembly is not responsible for what another Assembly had done, therefore those charges that have been handed down to us by our ancestors should be repudiated. I do not stand for that position. I stand for what is termed "continuity of policy" for administrations and Governments. Whether you have done well or ill in managing the affairs of this country, your successors must take over your liabilities without question and without cavil. I have stood for that position before. I stand for that position now. I am not, therefore, advocating repudiation of debts by any means, but I do venture to think that there is not much justification for making this provision in the current Budget or a similar provision in the next Budget. The trouble in this side of the House is that we do not have all the cards of the Honourable Member placed on the table. Their official etiquette makes them suppress several important, vital and relevant matters. That is at the bottom of the trouble and has been a real source of trouble for some little time.

My Honourable friend, Mr. O'Sullivan, with a vigour which is rather unusual from a Member of the European Group, has ventured to put forward both on the last occasion when he made his maiden speech and, on the present occasion, suggestions, criticisms and observations, galore. I shall not pursue him in all those observations when he says that this side of the House has not sufficient thoughts or views to put forward and has no constructive suggestions to put forward. I would venture to recall to the mind of the Honourable the Finance Member some suggestions that he himself was considering some years back. In introducing his Budget for 1931-32, the Honourable Member referred, with great favour, to a suggestion that was made by the Bengal National Chamber of Commerce regarding a duty on tobacco, and I was hoping that

[Diwan Bahadur A. Ramaswami Mudaliar.]

he was going to pursue that suggestion. Now, I find,—this is what he said:

"As regards tobacco, I may take this opportunity of expressing my appreciation of a very valuable memorandum which I have received from the Chairman of the Bengal National Chamber of Commerce containing a study of the operation of a tobacco monopoly in many countries and a suggestion for the introduction of such a system into India. That is a matter which has often been considered, but never pursued to the end and we are now consulting Local Governments as to setting up a special committee to study the question this year."

Sir, I do not know what has happened since then. These suggestions are not pursued to their logical end. I would not have raised this question but for the fact that we find that the Bombay Government has supported such a proposal, and has passed a law increasing the tobacco taxation. Now, it is a matter of common knowledge that one of the excise duties which it is proposed to be levied by the future Federal Government is an excise duty on tobacco. Now, if you give the right to Provincial Governments to raise this tax, what is going to become of the right of the Central Government, the Federal Government when that Government goes on to levy that tax? You create vested interests which it will be very difficult afterwards to remove, and I, therefore, venture to suggest to the Honourable the Finance Member that either he should withhold permission to levy such taxes from Provincial Governments or he should take the matter into his own hands.

Sir Cowasji Jehangir: It has been there in Bombay for years.

Diwan Bahadur A. Ramaswami Mudaliar: At any rate, further increases of it should not have been done. We know the difficulties which will arise when the question of Federal taxation in this connection is taken up.

Now, there is one small point. I think my Honourable friend said in the course of his speech that out of the exemption from surcharges that will be removed from officials about 38 lakhs would, as he hoped, be collected,—he was going to resort to the old policy of doles and was going to be a Father Christmas to all deficit Provinces. Sir, I venture to put forward, very humbly but emphatically, a protest against that suggestion. (Some Honourable Members: "Why?") Why should this surcharge revenue, that will come from the Presidency of Madras through the removal of the exemption from the surcharge from officials, be handed over to my friends in Bombay merely because Bombay is a deficit Province?

Mr. H. P. Mody: They will have to pay more for their officials' salaries. They must get it back.

Diwan Bahadur A. Ramaswami Mudaliar: I am afraid, my Honourable friend has not followed the question. It is a purely provincial source of revenue. If any benefit should come to any body from its being collected from provincial officers, it should go to the province where they serve, and it seems to me the height of impropriety to collect the surcharge from the officers of Madras and pay it for the benefit of the officers or the public of the Bombay or any other Presidency.

Sir Cowasji Jehangir: May I ask my Honourable friend, for how many years he has allowed the Central Government to enjoy the income-tax from Bombay, which is much larger than the income-tax paid from Madras?

Diwan Bahadur A. Ramaswami Mudaliar: I do not want to enter into these questions. My own opinion is that Madras has been bled white for years and years, that its surplus has been seized by the Central Government, and that the Bombay Presidency has been one of the pet babies of the Government of India (Hear, hear) in a variety of ways, and that Bombay has been having all the advantage so far. We hope to have our turn when the new constitution comes (Laughter); and we hope to see that Bombay, separated from Sind, will have its rightful place on the comity of the various provinces of British India. One more word, and I have done. Sir, the mention of Bombay reminds me of the future. I visualize the future—during the next two or three years—when perhaps a Bombay financier will occupy the position of the Finance Member of the Government of India. My ambition is nothing more than that I should then stand up here again as a member of the Opposition; and the thought that would then come to my mind, in spite of all that I have said of the Finance Member of the present Government of India, either in this speech or in the past few speeches, the thought that would come to mind is the feeling which the poet had:

"We look before and after
And pine for what is not;
Our sincerest laughter with
Some pain is fraught,
Our sweetest songs are those
That tell of saddest thoughts."

(Applause.)

The Honourable Sir George Schuster (Finance Member): Sir, many Honourable Members, who spoke in the debate on the Budget, complained that they had not had time to read my speech even though a full day had intervened. But the 40 Members who have spoken during this debate had one speech to answer and I, Sir, a single Member, without any intervening day, have to deal with 40 speeches. It must be obvious, in those circumstances, that my reply cannot be very full on all the points that have been raised. The debate, if I may say so, has been a very interesting one, and I have derived very large profit from it. There has been one notable feature on which perhaps I may comment and that is that you, Sir, in your exalted position, have been precluded from opening your mouth. (Laughter.) May I perhaps put it that I am thankful for small mercies and still more so for great ones.

At the outset, and before I deal with the points that have been raised, I would like to express to the House my appreciation of the extreme courtesy and kindness which every Member has shown to me personally. I think I may say that the House or a great part of it does not very much like the medicine contained in my Budget proposals, but I must say that they have been extraordinarily nice to the doctor. Sir, in some ways the tributes and the kind remarks that have been made are perhaps more embarrassing to deal with than the criticism. One feels, when one looks back, the great difference between the ideals that one may have cherished and what one has been able to achieve. At least to that, I think the House has recognized that the times have been very difficult ones. But even so, I do feel, in spite of all that has been said in this debate, that the situation in many respects is one for satisfaction, in that we do now stand, at least for the moment, amidst a world which is fundamentally

[Sir George Schuster.]

insecure, in a secure position. And that means a very great deal. I doubt very much if any Honourable Member of this House fully appreciates how insecure the position of the world at large is today or how good, in comparison with the state of affairs in the rest of the world, the position of India is. Having said that, I wish to make it quite clear that I in no way,—although it was suggested by my Honourable friend, Mr. Das, that I did so,—claim the credit for that myself. The only thing that we have done is to stand for sound finance and, in that, I think I may say that, in spite of differences as regards details, we have had the support of the majority of this House. An expression of that support has been repeated again today, and I give every tribute to the Members of this House that, in spite of great difficulties, they have stood for a policy of sound finance. For, after all, if we go back to the past and remember—regretfully—that in certain respects the special powers of His Excellency the Governor General have had to be invoked to pass a part of the Budget proposals that we had put forward, still, with regard to the great bulk of the proposals, they received the support of the majority of this House. And where the House has differed from us, it has not been on the point as to whether we should stand for sound finance or dangerous finance; it has been rather in matters of detail where they have felt that we might perhaps have secured a balance by a little more retrenchment and a little less taxation than our own proposals involved. I want, therefore, to express my appreciation of the general attitude that this Assembly has displayed through all these difficult years when time after time I have had to come forward and ask them to pass heavy programmes of new taxation. I do claim that the Legislative Assembly of India has stood throughout for sound finance and, therefore, if our position is a sound one today, they deserve the greater part of the credit.

Now, Sir, in the many speeches that have been made, it is very difficult to detect any general lines on which I could focus my reply. But I may perhaps say that there were two main lines into which I can classify what has been said in these various speeches. On the one hand there has been a type of criticism on the lines that my general attitude as to the existing position has been too optimistic,—that I have drawn too optimistic an interpretation from the facts that I have put forward. That is the first line of criticism, and the second line is in the form of criticism of particular measures and particular proposals. Now, Sir, as to the first line, I am glad of this opportunity in replying to the debate to clear up any misunderstanding that there may be on that subject. It has been suggested by many speakers that my appreciation of the position displays an attitude of callous complacency. Sir, I do not think that any one, who read the speech which I made at Ottawa and the appreciation of the position which I then gave, can accuse me of being callously complacent as regards the difficulties of the Indian situation. I fully realise the black features of the present situation. I fully realise also that merely to have a satisfactory position as regards public finance does not mean that all is well with the country. My Honourable friend, Mr. Mitra, when speaking, called attention to the first sentence of my speech in which I said,—and it has been also referred to by the Honourable and learned Leader of the Nationalist Party:

“The story which I have to tell this House of the public finances of India is a simple and, viewed merely as a matter of public finance, a satisfactory one.”

Sir, I put in that qualification very deliberately. I do not think that the situation in India, viewed as a whole, is entirely satisfactory. Let no one misunderstand me on that point. But I do wish to ask the House to consider the position of a Finance Member when he has to make a pronouncement which is widely reported all over the world. It would be very easy for me to gain credit in this House for an attitude of sympathy and understanding by looking at the black side of the picture; but, in gaining credit for myself, I should damage and perhaps, destroy the credit of the country. (Applause.) And, therefore, I deliberately refrained from dwelling too much on the difficulties of the situation. I deliberately selected those aspects of the situation which did give ground for encouragement. While saying this, I must, of course, make it clear that I would never have followed a process like that to an extent which would give a misleading account of the position. But I do think that at the present time, it is better to call attention to those facts which give ground for encouragement, and not to take the line that we are going to the dogs and that this country has no hope of salvation. Sir, I do not believe that for a moment; I believe that the position is fundamentally sound. I believe that we have come very well through our difficulties hitherto; and while I feel that those difficulties are by no means over and that we may have in the future to face even more difficult problems of readjustment than we have had to face yet, although I believe that, I am absolutely confident that India will pull through all those struggles far better than any other country that I know. (Applause.) Now, Sir, complacency would be a very dangerous quality and even optimism would be a dangerous quality if it led one into practical action inconsistent with the dangers which exist. As to this, I would ask the House to consider what other practical action, what safer form of practical action we could have taken at the present moment than we have done. I do not think that Honourable Members opposite would suggest that if they had succeeded in persuading me to take a more pessimistic view of the situation than they think I do, I hardly think they would have suggested that I should have provided for that by increasing the burden of taxation. Sir, I believe that, in the present circumstances, we are doing the right thing in asking the House to continue undisturbed the main structure which we put up in September, 1931. I believe that is sufficient for the moment. It has worked well so far and there is no reason to think that it will be inadequate to work further adequately in the near future. But undoubtedly we have got to watch the situation and, if it was thought that my so-called complacency was leading me as the adviser of the Government on these matters to suggest that there was any justification for relaxing our efforts of retrenchment or opening the door in any way to weakening the situation, then, Sir, indeed the criticisms of Honourable Members opposite would be fully justified. But that is not the position.

Now, Sir, turning to the various detailed points that have been raised, it is, as I have said previously, impossible to go one by one through all the speeches. Naturally a speech which was made last remains in my memory, and I would like just to take up the points raised by my Honourable friend from Madras who has just spoken. He first of all asked whether we had considered doing anything as regards the conversion of our sterling loans. He must have an exceedingly poor opinion of my intelligence or my sense of my responsibility if he really believes that it has not been actively in my mind, ever since there was any opportunity for taking advantage of the situation in London. I cannot—and this is one

[Sir George Schuster.]

of the occasions on which I cannot—put all the cards on the table. I cannot afford to tell the House exactly what is happening in that matter, but I would ask my Honourable friend to believe that it is in the very forefront of our attention. (Applause.)

Then, on the question of war debt, my Honourable friend complained that the cards were not on the table. If there are any other cards, they are certainly not in my hand. I have given the House a very full account of the situation exactly as it is, and, as far as I know, there is nothing more to be said about it. My Honourable friend complains that we have made a provision next year for payment of our ordinary liability on what is known as our war debt. I would ask him, Sir, what would the House have thought if we had come before them and presented proposals for a balanced Budget which contained no provision for that liability. That liability exists. It was suspended only for one year under the Hoover moratorium.

Sir Cowasji Jehangir: May I ask the Honourable Member why he does not take into account also the monies that ought to be received on account of reparations which he has left out? If he takes one into account, should he not take the other one also?

The Honourable Sir George Schuster: Unfortunately, we must suffer to some extent for our own virtues. We, as debtors, are "good debtors" who accept our obligations. But unfortunately the countries that owe us reparations may be unable to pay us. Apart from that I would put this to my Honourable friend. The position as regards reparations is quite different to the position as regards war debts. As regards reparations, a definite agreement was made at Lausanne for the suspension of reparation commitments, and although none of the Powers, that were parties to that agreement, is bound by it if the war debt cancellation is not carried out, still, for the present, that agreement holds the field. The position as regards war debts on the other hand is that we are definitely under an obligation. We call it a "war debt", but it is part of our dues just like anything else, and it is only by the generosity of the British Government that we were allowed to participate in the benefit of the Hoover moratorium. But, now, if the Hoover moratorium is not going to be extended, we can hardly expect the British Government to go on meeting their own obligations to the United States and demand nothing from their own debtors. We must make provision for this liability. It would have been totally unsound for us to present estimates without making provision for it, but I did mention in my speech that this is a possibility which may not materialise, and Honourable Members can rely on us to do our utmost to see that it does not materialise.

Now, Sir, the next point that my Honourable friend raised was as regards the taxation of tobacco. He asked what we had done in the matter. We went very carefully into that and we came to the conclusion that any practicable plan for the taxation of tobacco would have to be carried out in a form which would make it a provincial source of revenue. We, therefore, discussed the whole question with the Provinces. We had two conferences on the matter. We have been into it very fully, and we have got most of the provinces to agree to start tentatively on lines which may make it possible to develop the taxation of the consumption of tobacco as an important source of revenue. It is a matter of extreme difficulty in a

country like India,—and I think my Honourable friend will appreciate what the difficulties are—it is a matter of extreme difficulty in a country like India to make tobacco a source of revenue such as is possible in France which has no local cultivation of tobacco and where a State monopoly can be easily run. But I can assure my Honourable friend that we are proceeding now with the maximum speed in the direction which is likely to lead to most hopeful results, or rather the Provincial Governments, acting in consultation with us, are taking such steps.

The last point of my Honourable friend was as regards what he called "doles to the provinces". I think, if I may say so, he has misunderstood the position. The suggestion, which we have in mind, and which would of course have to come before the House in the form of proposals which would require the approval of the House, is that to any province which is in deficit this year we should refund the amount of income-tax, that we collect on the salaries, of its own officials representing the surcharge which is now imposed on those salaries for the first time. There is no question of Bombay getting a dole at the expense of Madras. If Madras is not in deficit and, therefore, not entitled to this assistance, then all that our proposal means is that we shall retain the money ourselves. We certainly shall not use that money to improve the position of Bombay.

Now, Sir, to continue dealing with the various special points that have been made, I would like to go back to the first speech in this debate made by my Honourable friend, Sir Leslie Hudson, the leader of the European Group. I should like to join in the general expression of appreciation which has been forthcoming from all sides of this House on my Honourable friend's speech. He referred, as many Honourable Members have, to the question of the stamp duty on cheques, and although that is a very small matter, I would like to say something about it. In the first place, I wish again to make it clear that we ourselves, as I said in my speech, agreed very reluctantly to put this proposal forward. Secondly, I should like to clear up one point, because I have—quite inadvertently, as I am sure the House will be ready to acknowledge—misled the House as to the real sense of the recommendation of the Central Banking Enquiry Committee. On this matter I quoted from one paragraph, but I ought really to have quoted from the preceding paragraph in which the Central Banking Enquiry Committee made it quite clear that, in their opinion, the removal of the stamp duty on cheques has acted as an encouragement to the cheque habit. But although this is their opinion, I am bound to say that I think myself, on the evidence, that one cannot say that the abolition of the stamp duty has had any very appreciable effect on the matter. That, however, is my own opinion, and, when I quoted the Central Banking Enquiry Committee, I ought to make their own views more clear.

Apart from that, as regards what Sir Leslie Hudson said, there is another matter which I should like to clear up and that is our policy as regards capital expenditure. He seemed to think that my Budget speech contained an expression of policy which implied that we were not going to take advantage of cheap money conditions to relax restrictions on capital expenditure. I meant in my speech to express an exactly contrary intention, but I did think it was necessary to make it clear that we had not in mind any rash expansion of capital expenditure which might damage our credit in the market or which might involve us in expenditure of an uneconomic and unproductive kind.

[Sir George Schuster.]

Now, my Honourable friend gave an appreciation of the position as regards the Railways which does not agree with the appreciation which I myself have had from those who are responsible for running the Railways. I do not think it is fair to say that the Railways are in great shortage as regards rolling stock and that, if there was to be any revival of traffic, they would be unable to cope with it. That is quite contrary to the information which I have received; and, if my Honourable friend is right and we are wrong, then the matter will be put right, because it would be certainly consistent with the policy which I should support that any shortage of that kind should now be put right. Another speaker, dealing with this matter, seemed to my mind to have a wrong idea of what the position as regards the Railways is, I think it was my Honourable friend, the Leader of the Independent Party, who said that, when I spoke of remunerative expenditure and productive expenditure, he hoped that we had not in mind expenditure of the kind which had already gone into the Railways which he seemed to regard as a bad investment. Now, as regards the Railways, although it is true that after making full provision for a very high allocation for depreciation, the Railways cannot pay the full interest on the advances which they have received from the Government this year and that in fact they have to draw on the depreciation fund to pay that full interest, nevertheless if one looks round at industrial undertakings, commercial undertakings, and undertakings of that kind in the whole world, I do not think that you will find any undertaking which is more remunerative on the basis of the whole capital that has been put into it, than the Indian Railways today. If we could be assured of investments in the future which would be so good for India's interest as investment in the Railways have been in the past, then we need fear very little from further capital expenditure. But the position, I think, is that as regards Railway development, the obvious opportunities are now exhausted, that there are no very urgent needs for extension of Railways, and that, if we are considering measures which will go to increase the economic productivity of the country, we have got to look to other things, as well as the Railways. We have certainly got to consider the question of road development in connection with the Railways and that is the position which I made clear in my Budget speech.

This leads me to one other important matter which, I think, I must mention. My Honourable friend, Dr. Ziauddin Ahmad, in speaking early in the debate, asked what Government had done in order to improve the chances of a rise in prices and a revival in economic activity. He quoted to me my own speech at Ottawa and he asked me what I have done since I came back to India to carry out what I then indicated as one of the most important purposes. Well, I must point out to him that in considering the effect of monetary policy on prices, that is to say, if one is aiming at creating a rise in the general level of prices by monetary policy, a country in the position of India is not really able to give a lead. Our own opportunity for influencing prices throughout the whole sterling area is a comparatively small one, and the lead in a policy of that kind must be taken by the United Kingdom. But, in our own small way, we have tried to do what we can in that direction by creating conditions of cheap money in this country, and that is really the only way in which, at least in my opinion, one can look for a sound process of recovery. What happens is this: if we can continue conditions of cheap money, then the

first result is—and this has been pointed out by several speakers and I entirely agree with their appreciation of the position—that other opportunities for the investment of money being lacking, that money flows first of all into Government securities. Then what, one hopes, will happen is that Government securities will gradually be pushed up to such a high level that the ordinary investor will feel that investment in Government securities at that level is no longer attractive and the overflow will spill over and help to find money for second class investments. Among “second class investments” I would put mortgages, debentures of industrial concerns, etc. The money, after having saturated the Government security market, ought to flow over into investment in industrial debentures. Those, again, should show a rise in prices until again it becomes unattractive for money to go into them at the prices they have reached, and then the public becomes ready to take up ordinary shares. Simultaneously with that, the improvement in the credit of the industrial concerns and the fact that cheap money makes it possible for them to raise new loans at low rates of interest ought to operate as an encouragement to undertake capital expenditure; and, once you start the process of capital expenditure, then you are well on the way to an industrial recovery. That, put very simply, is, as far as I can see the situation, the only sound way in which we can expect to get out of our present troubles, and, therefore, although I agree with many of the speakers who have said that cheap money is not expected by itself to bring happiness to the community, nevertheless cheap money conditions ought to create those conditions which will lead to an industrial revival, and that is why we wish to continue that policy and why we feel that the fact that we have been able to stimulate a rise in Government securities is likely in the long run to be of considerable benefit to the country.

There is a very great deal that I would like to deal with, but I think I have already kept the House long enough and there will be other occasions on which one can touch on many of the points that have been raised. I would, in the end, ask the House to take this view of the situation. The difficulties, as I have said, that lie before us are very serious and in our action we must keep that constantly in mind. But let us not forget that there are encouraging features in the situation. This morning, in the course of the debate, I noticed that my Honourable friend from Bombay, Mr. Mody, was going to speak and I sent a note across to him and I asked him to do two things: (a) not to talk about my own complacency, and (b) to tell us one or two of those stories which he is so good at telling. He went half-way to satisfy the first condition and he entirely satisfied the second. (Laughter.) But, really I feel that we are not very far apart from Honourable Members opposite in this whole matter. I do feel that they agree with us in pursuing a policy of sound finance. I do feel that, although they can criticise us on certain points, they nevertheless do not quarrel substantially with the main line of the programme which I have put forward. They recognise in fact that what they have to complain against is outside fate rather than the present Government. They recognise that we must be patient and wait till world conditions improve before we can safely relax any part of the present strain. My friends in the European Group, I know, are very anxious to see the income-tax reduced. I would say to them—please be patient, and if I may end with a lighter note, I would like to read to them a note which was given to me by a very prominent business man in New York who was lunching with me the other day. It is an extract from a letter read by the Governor of the Hudson Bay Company

[Sir George Schuster.]

at the annual meeting of that Company in London. The letter was from a farmer or trader who was in debt to the Company: His words are these:

"I got your letter about what I owe. Now be pachant. I ain't forgot you.—Please wait. When I have money, I will pay you. If this was the judgment day and you was no more prepared to meet your Maker than I am to meet your account, you sure would go to."

—a place which I cannot mention—

"Trusting you will do this." (Laughter.)

Now, Sir, I certainly do not trust that my friend will do anything like that, but I would ask him to be patient. We must be patient, and by all means in the interval of patience, let him criticise the Government as much as he can, let him spur them on to fresh efforts at retrenchment, and if he can do so, let him suggest other measures by which we can preserve, with less burden on the country, that sound finance which I believe he and all Members of this House wish to see preserved as much as we do. (Applause.)

The Assembly then adjourned till Eleven of the Clock on Monday, the 6th March, 1933.

LEGISLATIVE ASSEMBLY.

Monday, 6th March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

QUESTIONS AND ANSWERS.

TRAVELLING OF PERSONS RECEIVING THE BENEFIT OF THE LEE PASSAGE CONCESSIONS BY SHIPS FLYING A BRITISH FLAG.

640. *Mr. K. C. Neogy: (a) Will Government be pleased to state whether they have received any suggestion to the effect that in future all civil and military servants, serving under the Government of India and receiving the benefit of the Lee passage and concessions, should go home on leave or return from home to India only on ships flying a British flag?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state, whether any instructions have been issued by them to the servants concerned in pursuance thereof or whether they propose to issue any such instructions?

(c) Is it the intention of Government to arrange with particular steamship lines for the transport of Lee concession passage holders and, if so, are they prepared to invite from British and other foreign lines the lowest rates for such transport before final arrangements are made?

The Honourable Sir Harry Haig: (a) Certain representations to this effect have been made.

(b) and (c). These representations are under consideration and Government regret that they cannot at present make any statement on the subject.

Mr. K. C. Neogy: Who were the parties who have made these representations?

The Honourable Sir Harry Haig: It is practically, one may say, from the shipping interests concerned.

Mr. K. C. Neogy: Has any suggestion come from the India Office in regard to this matter?

The Honourable Sir Harry Haig: The representation has been forwarded by the India Office for consideration.

Diwan Bahadur A. Ramaswami Mudaliar: Will the Government consider the advisability of restricting, if there is to be any restriction at all, it to ships flying under the British flag and not to any particular concern.

1580

LEGISLATIVE ASSEMBLY.

[6TH MARCH 1933.

The Honourable Sir Harry Haig: I do not think there is any suggestion other than that which my Honourable friend has made.

Mr. S. C. Mitra: Will Government consider the advisability of helping Indian shipping, now that there are a few Indian Companies like the Scindia Steam Navigation Company engaged in this work?

The Honourable Sir Harry Haig: I do not think they will be capable of coping with the whole of the traffic.

Mr. K. C. Neogy: Has the attention of the Honourable Member been drawn to a statement which was made at a meeting of the P. and O. Shareholders in December last by the Chairman of that Company in which he claimed that the P. and O. stock holders in their capacity as tax-payers were paying the fares of those gentlemen who enjoyed the Lee concessions?

The Honourable Sir Harry Haig: I did notice some statement to that effect.

Mr. K. C. Neogy: Does the Honourable Member agree that the P. and O. stock holders pay the fares of the officers enjoying the Lee concessions?

The Honourable Sir Harry Haig: I should have supposed that the P. and O. stock holders, in their capacity as Indian tax-payers, would have contributed a very small amount to that sum.

Mr. K. C. Neogy: Has the Honourable Member any idea as to the number of P. and O. stock holders in India?

The Honourable Sir Harry Haig: I have no information.

Mr. K. C. Neogy: How does the Honourable Member then assume that they contribute even to a very small extent towards this concession?

The Honourable Sir Harry Haig: I think it may be assumed that there are a fair number of P. and O. stock holders who are also Indian tax-payers.

Mr. E. S. Millar: Will Government be pleased to state whether the same rebates are given by foreign lines as the British lines?

The Honourable Sir Harry Haig: I am afraid I have no information on that subject.

Mr. K. C. Neogy: Is any rebate granted at all to officers travelling under the Lee concessions?

The Honourable Sir Harry Haig: I am afraid I am not familiar with the actual terms, but my impression is that the fares of officers are debited against the credits which stand in their names in their own accounts.

Sir Cowasji Jehangir: Will the Honourable Member, while considering this question, also consider the advisability of laying down some condition that these P. and O. ships should go at the same speed as other foreign

ships, provide the same class of food and also the same amenities of life that other Companies now provide? I have no objection to concessions being given, but want to see, Sir, that passengers also get the same value for the money that they pay out.

The Honourable Sir Harry Haig: I do not think, Sir, that the Honourable Member need necessarily assume that these representations will be accepted. As I said before, the matter is merely under consideration at the present moment, and no conclusions have been formed.

Diwan Bahadur A. Ramaswami Mudaliar: Is it a fact that as a matter of practice, the certificates issued to officers are issued in the name of the P. and O. Company?

The Honourable Sir Harry Haig: No, Sir. At present it is open to officers to use the credits in their accounts for travelling by ships of any line.

Mr. K. C. Neogy: Is it not a fact that indirect canvassing is done by Government officials here in favour of the P. and O.?

The Honourable Sir Harry Haig: No, Sir.

Mr. K. C. Neogy: Was any such canvassing done with reference to the Round Table Conference delegates, and was any of them to see whether they could not travel by the P. and O.?

The Honourable Sir Harry Haig: I have no information at all about it.

Mr. K. P. Thampan: May I know if it is not yet time to abolish the Lee concessions altogether?

The Honourable Sir Harry Haig: Not in the opinion of the Government.

RECRUITMENT TO THE SUBORDINATE ACCOUNTS SERVICE.

641.***Sardar Sant Singh:** (a) How many candidates were taken by direct recruitment in the Subordinate Accounts Service on the civil side and postal side since the 1st of January, 1930? How many of them are Sikhs, Muslims and Hindus? What was the total strength of this service on the 1st of January, 1933, and the respective strength of the various communities?

(b) Is it a fact that only those apprentices are recruited directly who are young men with brilliant university records? If so, is it also a fact that the new apprentices recruited since 1930 possessed these qualifications?

(c) Is it also a fact that since the direct recruitment was opened to minority communities from the beginning of the year 1930, the percentage of passes in the departmental examination has been brought down from 30 to about 3? Is it also a fact that none of the recruits with brilliant university records has been declared successful since 1930? Is it also a fact that the successful examinees during the last three years possessed very low educational qualifications as compared with these apprentices?

(d) Are Government aware that these failures are attributed to undesirable methods and are Government prepared to appoint an impartial examiner from outside the department to revise the papers of the examinees of the year 1932?

(e) In case Government are not prepared to appoint an outsider to revise these papers, are Government prepared to give the apprentices a fourth chance to appear in the departmental examinations?

The Honourable Sir George Schuster: With your permission, Sir, I will deal with questions Nos. 641 to 645, and 650 to 655 together.

The information is being obtained and will be laid on the table on receipt.

EMPLOYMENT OF SIKHS IN THE OFFICE OF THE DEPUTY ACCOUNTANT GENERAL, POSTS AND TELEGRAPHS, DELHI.

†642. *Sardar Sant Singh: Will Government kindly state:

- (a) the number of persons, newly employed in the office of the Deputy Accountant General, Posts and Telegraphs, Delhi, every year in A, B, and C classes separately since 1923,
- (b) the number of Sikhs so employed,
- (c) the number confirmed since 1923, and
- (d) the number of Sikhs so confirmed?

EMPLOYMENT OF SIKHS IN THE OFFICE OF THE DEPUTY ACCOUNTANT GENERAL, POSTS AND TELEGRAPHS, DELHI.

†643. *Sardar Sant Singh: (a) Will Government kindly state the total number of Sikhs on roll in each class (A, B and C) in the office of the Deputy Accountant General, Posts and Telegraphs, Delhi?

(b) When were the recruitment examinations for the Upper Division held after 1923 in this office? How many were declared successful in each examination? How many were Sikhs and what position did they secure in the examination?

(c) Have all of those successful examinees been confirmed in the Upper Division? If not, how many remain unconfirmed and the reasons for not being confirmed? Is it a fact that no Sikh has been confirmed, though the position of a Sikh in the examination was comparatively higher?

SUPERVISOR OF RECORDS OF THE OFFICE OF THE DEPUTY ACCOUNTANT GENERAL, POSTS AND TELEGRAPHS, DELHI.

†644. *Sardar Sant Singh: (a) Is it a fact that the present Supervisor Record of the office of the Deputy Accountant General, Posts and Telegraphs, Delhi, is a *Kayasth*. If so, how many persons belonging to this caste or sub-caste of *Kayasths* have been employed in this office? Are Government aware that this particular Supervisor's attitude in his official work is *anti-Sikh* and that he gives vent to his feelings often in office? If so, do Government propose to take suitable departmental action against him?

†For answer to this question, see answer to question No. 641.

(b) Is it a fact that Mr. A. C. Badenoch, the *ex*-Accountant General, left an order on record to the effect that no local man should be appointed as a Supervisor Record in this office? Is it a fact that the present Supervisor Record belongs to Panipat, Karnal District? If so, does he not fall within the term "local man" and, if so, why was he appointed? Do Government propose to transfer him to some other post?

CONFIRMATION OF ONE MR. BASHIR AHMED AKHGAR IN THE OFFICE OF THE DEPUTY ACCOUNTANT GENERAL, POSTS AND TELEGRAPHS, DELHI.

†645. *Sardar Sant Singh: Is it a fact that the Government of India issued orders not to confirm any person employed after the 15th July, 1931? If so, is it a fact that one Mr. Bashir Ahmed Akhgar, B.A., was employed after the 15th July, 1931, and has since been confirmed in the office of the Deputy Accountant General, Posts and Telegraphs?

DEMOTION OF CERTAIN INSPECTORS OF CREWS ON THE EAST INDIAN RAILWAY.

646. *Mr. B. N. Misra: (a) Is it a fact that the following staff were appointed as Inspectors of Crews (Ticket Checking Staff) in the grades of Rs. 150—10—200 in the Operating Department of the East Indian Railway, before the 1st June, 1931, the date of introduction of the present Moody-Ward scheme of ticket checking:

Messrs. M. Azam, K. M. Asgar, M. L. Takru, M. V. Bhavnani, G. P. Dass, J. W. Workman, M. A. H. Sh'razi, Kartarsingh, A. L. Deefholts?

(b) If so, will Government please state (i) under what circumstances were they demoted to grades Rs. 110—5—140 and Rs. 70—5—95 since 1st June, 1931; (ii) whether the posts held by them were temporary, but they were confirmed in their appointments; and (iii) whether Fundamental Rule 23 is applicable to them?

(c) Is it a fact that the nature of duties assigned to these Inspectors of Crews in these demoted grades are almost the same after 1st June, 1931, as before 1st June, 1931, in the old Crew system?

(d) Is it a fact that their services have been confirmed since 1st June, 1931, in these reduced grades?

(e) Is it a fact that their services have been considered as continuous since the dates of their appointments? If so, why have they not been admitted to the benefits of Provident Fund since the dates of their appointments?

(f) Will Government state whether the Railway Board letter No. 683-E. G. of 3rd March, 1931, pertaining to the main principles of retrenchment or reduction or demotion is applicable to these Inspectors of Crews? If so, how was their case not considered along with the ticket checking staff of the permanent establishment, when these Inspectors held temporary appointments for periods exceeding 12 months' continuous service?

(g) Is it a fact that the old pays and grades of the ticket checking staff of the permanent establishment have since been restored to them? If so, under what circumstances have these privileges been denied to these Inspectors of Crews?

Mr. P. R. Rau: I have called for the information and will lay a reply on the table in due course.

†For answer to this question, see answer to question No. 641.

1584

LEGISLATIVE ASSEMBLY.

[6TH MARCH 1933.]

CONSOLIDATED ALLOWANCE OF INSPECTORS OF CREWS ON THE EAST INDIAN RAILWAY.

647. ***Mr. B. N. Misra:** (a) Is it a fact that the old T. T. Is. of the Accounts Department of the East Indian Railway have been given consolidated allowances at the following rates as a compensation for the mileage allowances they used to draw before 1st June, 1931?

Restored pay.	Consolidated allowance.
	Rs.
Up to Rs. 100	35
From Rs. 101 to Rs. 190	50
From Rs. 191 and above	65

(b) Is it a fact that these Inspectors of Crews used to draw travelling allowance at Rs. 2-8-0 per diem before 1st June, 1931 and that after this date those of them who have been demoted as T. T. Es. in grades Rs. 70—5—95 are given only Rs. 20 as consolidated allowance? If so, why?

Mr. P. R. Rau: (a) Yes.

(b) I have called for the information and will lay a reply on the table in due course.

MUSLIM ACCOUNTANTS IN THE STATE RAILWAY ACCOUNTS DEPARTMENT.

648. ***Shaikh Fazal Haq Piracha:** Will Government please state the number of Muslim Accountants in the State Railway Accounts Department? Have there been any recent reversions of Muslim Accountants? If so, will Government please state whether the Muslim Accountants who have been reverted have passed any departmental examination which qualify them to work as Accountants? If so, are Government prepared to consider the question of their restoration as Accountants, with a view to improving to a certain extent the poor representation of Muslims in the cadre of Accountants on the State Railways?

Mr. P. R. Rau: The number of Muslim Accountants now on duty is 12. I am not aware of any recent reversions of Muslim Accountants, but I am informed that among five Probationary Accountants, who were originally appointed as Officiating Accountants subject to passing an examination within a fixed period and have been reverted to their substantive posts on their failure to do so, there are three Muslims. I understand that they have passed another examination which makes them eligible for appointment as Officiating Accountants. Memorials have been received from some of these Probationary Accountants who have been reverted, and I can assure my Honourable friend that they will receive my most careful consideration.

EMPTION OF CERTAIN MUSLIM ACCOUNTANTS FROM THE EXAMINATION OF RAILWAY ACCOUNTS.

649. ***Shaikh Fazal Haq Piracha:** (a) Will Government please state the number of candidates by communities who were declared successful in the Appendix D examination of the Railway Accounts held in November, 1931, and November, 1932?

(b) Do Government propose to examine the cases of those Muslim candidates, who failed but otherwise did well in these examinations and whose work as Accountants has been well reported on, for exemption from examination?

Mr. P. R. Rau: (a) I lay a statement on the table showing the number of candidates by communities who appeared and succeeded in the examinations referred to.

(b) I am not aware whom my Honourable friend would include in the category of 'candidates who failed but otherwise did well' in these examinations. Government consider it undesirable to grant exemptions of this sort.

Statement.

Community.	No. of candidates appeared.	No. of successful candidates.
1931 Examination—		
Hindu	148	29
Muslim	8	Nil
Sikh	9	Nil
Anglo-Indian and Christian	9	Nil
Total	174	29
1932 Examination—		
Hindu	131	12
Muslim	12	1
Sikh	5	2
Anglo-Indian and Christian	13	2
Others	2	Nil
Total	163	17

EMPLOYMENT OF MUSLIMS IN THE SUBORDINATE ACCOUNTS SERVICE.

†650. ***Shaikh Fazal Haq Piracha:** (a) Will Government please give the total number of Muslims and Hindus in the Subordinate Accounts Service (civil side) at present?

(b) Have Government taken any steps to give Muslims their proper share in this important service? If so, what?

(c) Is it a fact that the Subordinate Accounts Service examination, with rare exceptions, is only open to the clerks in audit offices?

†For answer to this question, see answer to question No. 641.

(d) What is the total number of clerks in the Civil Audit Offices in India? Out of them how many are Muslims?

(e) Have Government considered the question of recruiting more Muslims directly in the Subordinate Accounts Service?

(f) What is the total number of candidates who sat for the Subordinate Accounts Service examination last year? How many of them were Muslims?

(g) How many Hindus have passed the Subordinate Accounts Service examination since 1930, and how many Muslims have so passed?

PERCENTAGE OF SUCCESSFUL CANDIDATES IN THE SUBORDINATE ACCOUNTS SERVICE EXAMINATION.

†651. ***Shaikh Fazal Haq Piracha:** (a) What has been the percentage of successful candidates in the Subordinate Accounts Service examination since 1925?

(b) Will Government be pleased to state the reasons for the extremely low percentage of the successful candidates in the examination held in 1932?

HOLDING OF THE SUBORDINATE SERVICE EXAMINATION BY THE PUBLIC SERVICE COMMISSION.

†652. ***Shaikh Fazal Haq Piracha:** Is it a fact that all the Secretariat examinations are held by the Public Services Commission? If so, are Government prepared to consider the desirability of the Commission holding the Subordinate Accounts Service examination as well?

NUMBER OF CLERKS IN THE AUDITOR GENERAL'S OFFICE.

†653. ***Shaikh Fazal Haq Piracha:** (a) Will Government please state the total number of clerks employed in the Auditor General's office?

(b) How many of them are Muslims?

STRENGTH OF THE SUBORDINATE ACCOUNTS SERVICE IN THE AUDITOR GENERAL'S OFFICE.

†654. ***Shaikh Fazal Haq Piracha:** (a) What is the total strength of the Subordinate Accounts Service in the Auditor General's office?

(b) How many of them are Muslims?

REPRESENTATION OF MUSLIMS IN THE AUDITOR GENERAL'S OFFICE.

†655. ***Shaikh Fazal Haq Piracha:** What steps have Government taken or propose to take to give due representation to Muslims in the Auditor General's office?

RETRENCHMENT IN THE CHIEF ACCOUNTS OFFICE OF THE NORTH WESTERN RAILWAY.

656. ***Bhai Parma Nand:** Will Government be pleased to state:

(a) if on separation of Railway Audit from Accounts on 1st January, 1929, it was laid down in F. C. memo. No. 5585-F., dated 31st July, 1929, to make all clerical recruitments in future to

†For answer to this question, see answer to question No. 641.

railway accounts offices through an all-India competitive examination, laid down in Appendix B, to the above memo., and that communal proportion would also be kept in view for recruitments;

(b) if retrenchment in the accounts offices of State Railways is made on a communal basis, i.e., the ratio of the respective communities as existed in each Railway Accounts Office immediately prior to the retrenchment campaign, i.e., some date in 1931 should be maintained intact;

(c) if it is a fact that in calculating the ratio of the respective communities as in 1931 so far at least as the Chief Accounts Officer, North Western Railway, is concerned, temporary clerks appointed after 1st January, 1929, otherwise than through recruitment examination have also been taken into account;

(d) if a declaration was obtained from every clerk appointed in the Railway Accounts Offices after 1st January, 1929, otherwise than through the above-quoted examination, to the effect that he was liable to be displaced by the Appendix B passed clerks as and when the latter were posted to that office;

(e) if it is a fact that in effecting retrenchment in the Accounts Office of the North Western Railway, Hindu Appendix B clerks have had to be or are likely to be discharged from service on account of the communal adjustment while the temporary non-Hindu clerks (appointed after 1st January, 1929, on the clear understanding that they were liable to be displaced by the Appendix B clerks) are being retained in service;

(f) if the answers to the above be in the affirmative, why it is proposed to turn out of service Appendix B passed permanent Hindu clerks and to retain unqualified and purely temporary non-Hindu staff appointed after 1st January, 1929, and whether Government are prepared to order that in determining the ratio of the staff of the respective communities for purposes of retrenchment, only those appointed before 1st January, 1929, and/or through Appendix B examination be taken into consideration?

Mr. P. R. Rau: (a) to (d). Yes.

(e) and (f). I am informed that all the clerks who had passed Appendix B examination and were retrenched have since been re-employed.

RETRENCHMENT IN THE CHIEF ACCOUNTS OFFICE OF THE NORTH WESTERN RAILWAY.

657. ***Bhai Parma Nand:** Will Government be pleased to state:

(a) if in terms of para. 17 of the Railway Board communiqué dated the 6th June, 1932, the rule of simple length of service and maintenance of communal ratio apply only in cases of block retrenchment;

(b) if it is a fact that in the Chief Accounts Office, North Western Railway, the communal ratio is being maintained in cases of ordinary reversions and withdrawal of sanction of temporary posts;

- (c) if it is a fact that the maintenance of communal ratio, and in pursuance of that turning out of service senior Hindu clerks, in cases of ordinary reversions and withdrawal of sanction of temporary posts is against the letter and spirit of Fundamental Rules; and
- (d) if the answers to parts (b) and (c) are in the affirmative, what action Government propose to take to redress the grievances of the senior Hindu clerks?

Mr. P. R. Rau: I have called for certain information and shall lay a reply on the table in due course.

APPEAL FOR RELIEF OF PERSONS, DEAD AND INJURED, IN THE ALWAR DISTURBANCES.

658. ***Bhai Parma Nand:** Has the attention of Government been drawn to a press report, dated January 13th, 1933, from Alwar published in the *Hindustan Times* dated the 15th January, 1933, about a letter addressed to the Red Cross Ambulance Society by Ch. Yasin Khan, M.L.C. of Gurgaon appealing to the Society to send Red Cross Ambulance and relief parties for 1,505 persons dead and injured in the Alwar disturbances?

Mr. G. S. Bajpai: Yes, Sir.

Bhai Parma Nand: Will the Honourable Member state what were the contents of that letter?

Mr. G. S. Bajpai: I have the text of the telegram before me here. It is to this effect:

"Several hundred injured at Govindgarh fifteen gunshot injured men here several seriously injured more coming accommodation medicine not available please help immediately."

Bhai Parma Nand: What is the report of the Red Cross Society deputation which went over there? Were these allegations found to be correct?

Mr. G. S. Bajpai: So far as I am aware, those who went to Alwar, on behalf of the Red Cross Society, did not submit any report.

Bhai Parma Nand: Is the Honourable Member aware that the statements in the Press described the figures, that were given in that telegram, as quite incorrect and misleading?

Mr. G. S. Bajpai: Who gave that statement? In the report, which I have, this information does not figure.

Bhai Parma Nand: You have had a report then?

Mr. G. S. Bajpai: I have the report of the Red Cross Society on the question asked by the Honourable Member.

Bhai Parma Nand: What is your report? Does it say that these figures are correct?

Mr. G. S. Bajpai: They make no mention of these figures. All the information I have received is that they took no action on the telegram, but that they acted upon the request of the military authorities operating in Alwar.

Bhai Parma Nand: What do they say about the accuracy of the figures?

Mr. G. S. Bajpai: It was not the function of the Red Cross Society to inquire into events in Alwar. They were merely asked to furnish medical aid and they furnished it.

Bhai Parma Nand: To how many people did they furnish aid?

Mr. G. S. Bajpai: I have no information on that point.

Dr. Ziauddin Ahmad: May I ask whether Government will make inquiries about the correct figures?

Mr. H. A. F. Metcalfe: Government have no information as to exactly what happened there in the way of casualties. The most that I can say is that a few killed and wounded were brought into British India. There may have been other casualties, but as the House will understand, a number of these were probably removed from the spot.

Dr. Ziauddin Ahmad: May I ask, in view of the fact that such a wide difference of opinion exists amongst the Press, is it not desirable that Government should make more inquiries and let the public know definitely as to what actually happened?

Mr. H. A. F. Metcalfe: On a point of order, Sir. May I point out that this involves the discussion of the administration of a State which is in relation with the Governor General? I have given what information I have, and any further questions will merely lead to a discussion which I could hardly take part in.

Dr. Ziauddin Ahmad: I simply, Sir, want information; I do not want to enter on a discussion.

Mr. H. A. F. Metcalfe: I have already given all the information at my disposal, which is as to the number of casualties which were brought into British territory, and which were certainly very much fewer than the figures mentioned in the telegram.

Dr. Ziauddin Ahmad: Here the Honourable gentleman has taken for granted figures are much less than those stated here. Is the Honourable Member's information based on some inquiry, or is it only his guess-work?

Mr. H. A. F. Metcalfe: It is certainly not based on guess-work to this extent that that number of casualties were actually brought into British territory. As to precisely what happened in Alwar territory, I am not in a position to make any further statement.

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

EXTENSION OF THE TERM OF THE LEGISLATIVE ASSEMBLY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. I have got a Message from His Excellency the Governor General.
(The Message was received by the Assembly standing.)

"Gentlemen of the Assembly,

Your Chamber is now in the third year of its normal term of three years, and the question of the date of the next General election has been engaging my attention. As this is a matter of great interest to you and to the public generally, I take an early opportunity of informing you of my present decisions.

Under the operation of section 63-D of the Government of India Act, the term of this Assembly will expire next January, and, in the ordinary course, I would have dissolved it in the Autumn of this year, so that a General Election could be held towards the end of this year and the meeting of the new Assembly convened in the beginning of next year. However, as you are aware, His Majesty's Government are pressing forward with their plans for a Federal Constitution in India, and the new Assembly, which would meet for the first time next January, might have a short life, I feel that the expenditure of energy and money which a General Election entails, both on Government and on candidates, would hardly be justified in these circumstances, and particularly so at a time when public interest will be focussed on the new Constitution, and Government and public men will be busy preparing for its inauguration.

I have, therefore, decided not to dissolve the Assembly or to hold a General Election this year. I propose, when the time comes, to exercise my powers under section 63-D of the Government of India Act, and to extend the life of this Assembly for such period as may seem expedient in the light of the conditions then prevailing.

(Sd.) WILLINGDON."

New Delhi;
The 6th March, 1933.

(Loud Applause.)

THE GENERAL BUDGET—LIST OF DEMANDS.

SECOND STAGE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. The House will now start the discussion on the second stage of the General Budget. The Chair has had a conference with the Leaders of Parties this morning when it was understood that the various Leaders thought that it would generally meet the wishes of this House if some arrangement could be arrived at by which each Party might get allotted a definite time in which to inaugurate discussion on a particular topic under a particular Demand. Honourable Members no doubt know that this procedure, or rather this variation in normal procedure, has been accepted by the House during past years; and if it is the wish of the House that this variation in normal procedure should also be allowed this year, the Chair would have no objection. According to the arrangements which the Chair understood would meet with the general approval of the Party Leaders, they desire the Chair, if the House so agrees, to arrange for the discussion in the following order:-

On Monday, that is, today, in the forenoon, the European Group wish to initiate the discussion on a cut motion under Demand No. 16;

[Mr. Deputy President.]

In the afternoon, the Nationalist Party will initiate the discussion under a cut motion under Demand No. 17;

On Tuesday morning, the Nationalist Party will continue to take another cut under Demand No. 28, and on Tuesday, afternoon the United India Party will initiate discussion under Demand No. 39;

On Wednesday, the whole day will be given to the Independent Party, when they propose to have a discussion on Demand No. 39 in the forenoon and on Demand No. 31 in the afternoon;

Thursday morning will be given to the Centre Party. They have not yet intimated the topic for their discussion; and Thursday afternoon will be given to those gentlemen who do not belong to any Party if they are prepared to come to some understanding among themselves; and Friday will be devoted to discussion according to the normal procedure. The Chair would like to know whether this arrangement meets with the approval of the House.

Several Honourable Members: Yes, yes.

The Honourable Sir George Schuster (Finance Member): May I ask, Sir, which particular cut motion in regard to income-tax will be moved this afternoon?

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Chair will let the Honourable Member know.

The Chair takes it, then, that the House agrees to follow this procedure. The Chair will also help the House in facilitating the discussions. Under the Standing Orders, there is no time-limit for speeches in regard to cut motions, but the Chair has felt very often that there is a general desire on the part of Honourable Members that opportunities should be given to as many Honourable Members as possible to take part in the discussion. Therefore, if the House so desires the Chair would like to fix a time-limit of 20 minutes for those Honourable Members who have to move the cuts and a time-limit of 15 minutes for other Honourable Members. (Voices: "Yes, yes.") The Chair proposes to enforce, then, a time-limit of 20 minutes for the Mover and of 15 minutes for other Honourable Members. (Applause.)

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): May I know, Sir, if during the discussion of the other cuts of the other Parties, we also may speak? (Voices: "Certainly", "Certainly"). Thanks very much. I thought by agreeing to one particular day for some Party, the others lost the right

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The particular Party that moves the cut motion has simply got the right of initiating the discussion thereon.

DEMAND NO. 16—CUSTOMS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. The motion before the House is:

"That a sum not exceeding Rs. 63,75,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Customs'."

Dumping of Goods into India by Countries with Depreciated Currencies.

Sir Leslie Hudson (Bombay: European): Sir, I beg to move:

"That the demand under the head 'Customs' be reduced by Rs. 100."

Sir, this is by no means the first time that efforts have been made to prevail on the Government to introduce legislation and to take prompt executive action against the dumping of large quantities of manufactured goods on this country at prices which are entirely uneconomic and which enable them to undersell struggling indigenous factories. Many of these factories have been forced to curtail production and some of them are reduced to such parlous condition that they are on the point of extinction. The House is aware no doubt of some of the interests affected. They may be interested to know that they comprise, amongst others, paints, varnishes, paper, cement, pottery, i.e., porcelain and earthenware, electrical insulators, lead pencils, brushware, many varieties of cotton piece-goods and artificial silk goods, and many other articles produced by small and large factories in this country. There is legislation of the type that I press for in many countries of the world, in Canada, South Africa and Australia; whilst France and other Continental countries have imposed surtaxes on imports from countries with depreciated exchanges. Great Britain herself in November, 1931, passed an anti-dumping Bill known as the Abnormal Importation Customs Duty Bill to assist its own industries to compete with dumped goods. All over the world steps have been taken by Governments to counteract the flooding of their markets by countries whose depreciated exchanges enable them to undercut home industries. I would remind the House that some ten years ago the Fiscal Commission recommended the framing of such legislation as I am now asking Government to enact. The Tariff Board has on at least two occasions very clearly and definitely stated that the imposition of a duty by the executive without reference to the Legislature is imperative if serious damage to home manufactures is to be avoided. I would refer Honourable Members, in this regard, to paragraphs 8 and 9 of the Tariff Board report on protection for galvanised sheets and to the report on protection for the steel industry. I maintain, Sir, that if an indigenous industry is able to make out a *prima facie* case that it is being driven out of business by goods from foreign countries owing to the depreciated currency of those countries, the Government of India should be in a position to take immediate action to prevent the ruin of that industry. I am making no demand for protection against fair competition, but against crushing competition due to these depreciated currencies which are entirely fortuitous to the countries concerned.

It would be wearisome to the House to listen to a number of instances of the prices of articles with which the country is being flooded, specially from Japan. But I saw the other day lead pencils which are being sold

at one anna a dozen whereas a factory in Madras cannot produce them at much less than three or four times that price. I am taking very homely items just to bring it home to the House that it is these small industries just as much as the big ones which have been so hard hit. Japanese cups and saucers can be bought for 14 annas a dozen in Calcutta where a local factory is entirely unable to turn them out at anything like that price. There are countless other instances of similar dumped prices and I am quite sure that the Commerce Department must have a very bulky file from the representatives of those factories. In fact the Commerce Department received a deputation on this subject six or seven months ago,—last July. I think. A very clear and comprehensive letter pointing out the cause and effect of this dumping and suggesting methods of combating it was addressed in September last by one of the leading Associations in India to the Commerce Department; whilst the Honourable the Finance Member in Calcutta last month listened to a Resolution on the same lines, as my present motion, asking for the legislation. All these representations have had the backing of responsible people, people who see the nascent and growing industries of this country being driven to bankruptcy; and I beg of Government that they will not turn a deaf ear to what may easily be in several cases the dying appeal of these struggling industries. I am aware that there are several reasons which can be put forward for not acceding to these appeals. It has been argued that the opportunity of buying imported articles cheaply is a benefit to the consumer, and of course the interests of the country as a whole have to be considered. If that position were due to fair competition or due to a faulty organisation of the industries in this country or any other fault in the management of Indian factories, I should not have so much to say. But it is not so in the present case, for it is entirely due to the fall in the value of the yen that this position has arisen. An individual consumer may benefit by being able to buy an article at less than its true economic price, but the country loses the price of that article in the employment which is, or will be, lost in its manufacture and in the production of the raw materials of which it is made whilst the lakhs of rupees which would be spent and retained in this country are lost to the country by remittance abroad. Unemployment must increase in the closing of the factories themselves;—there will be more unemployed thrown on an already very full market,—and in the cessation of the demands for raw materials in the country and in the manufacture of machinery. Surely it would be more correct to place the internal prosperity of this country before the more tangible and immediate revenue to be derived from import customs duties.

There has been an argument that the internal prices of Japan have been rising rapidly, but there is no sign as yet of this having had any effect on the flood of articles coming into India from that country. It has also been stated that as the stocks of cotton bought before the yen slid off gold became exhausted, the prices of goods made from that cotton in Japan would rise also. There, again, there is no sign of this having occurred and reports are being received that Japan still has a very large stock of cheap cotton bought over a year ago. There has also been the argument that foreign countries, against whose dumped goods India may impose extra duties, may retaliate. It is not easy to see how they can do so. India exports raw materials with the almost the sole exceptions of pig iron and jute cloth. I see no fear of any retaliation in such countries refusing to buy our raw materials. If our prices are world prices, they will buy from India, for manufacturers will buy in whatever market they can obtain

[Sir Leslie Hudson.]

their requirements cheapest. Sir, this dumping question has become increasingly serious during the last six months and it has been increasing ever since last July, and, in the interests of the small manufacturer, in the interests of the labour employed in those manufactories in this country, I beg that Government will take such steps as may be possible to relieve them from the burden of over-dumped goods in India. Sir, I move.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): May I ask the Honourable Member whether he can tell precisely what he wanted the Government of India should actually do in this matter?

Sir Leslie Hudson: I am asking the Government of India to take action against the dumping of goods in this country at an uneconomic price.

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Without reference to the Legislature?

Sir Leslie Hudson: I am proposing, Sir, that they should take similar powers as the British Government have taken in England.

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muhammadan): At the expense of the tax-payer or the consumer.

Sir Leslie Hudson: No, Sir. I have tried to explain that the consumers would not suffer. They would still be able to buy at a fair price the goods they want to buy.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Customs' be reduced by Rs. 100."

Dr. Ziauddin Ahmad: Sir, I had no idea to intervene in this debate, but I would like to ask Sir Leslie Hudson to explain precisely what should the Government of India actually do in this matter. I quite understand that there are cheap Japanese goods imported, and for two reasons. In the first place, they have got a system of economic production by which they can produce things cheaper than we can do in this country, and the second thing is that they have got the value of their yen depreciated. The value of 100 yens used to be 170, and it has now fallen to 78 rupees only: so that the price of the yen has gone down to less than half of its true value. Now, the thing is that exchange varies from month to month. What should the Government of India do for this variation? It is difficult for the Assembly to sit every month and alter the Tariff Act. That is impossible and I say it is equally impossible even for the Executive Council to meet every month and to regulate the tariff of each and every article imported from countries with depreciated currency; and collect materials, and by the time they get information from temporary Tariff Board probably most of the articles would have been dumped before the Government could think of any solution, and the second difficulty is that the Government of India would be able to take action only on such articles about which they have received representations by the manufacturers, and we know that some of the manufacturers are in the favoured class of the Government of India and probably their voices would be heard. But there are some manufacturers who are not in the favoured class whose voices would not be

heard. We have such examples before us. Therefore, I would like to have some automatic method by which this dumping should be avoided—the method that I would advocate is the method that Germany adopted when the value of their marks was going down day after day. I was myself present in Germany at that time and I noticed that the prices of all articles varied with the fall of marks even in the course of the day. Even the prices of railway tickets varied three times a day with the fall in the value of marks. They had to regulate the prices of articles including railway fares and freight in terms of dollars, and they calculated the mark according to the current exchange by means of a machine which was provided at all the booking offices of German Railways. Here we can take sterling or rupee as a unit of standard currency and calculate the customs duty on commodities coming from countries with depreciated currency according to fixed formula. For example, take the case of Japan; suppose the customs duty on a particular article is fixed *ad valorem*. For purposes of calculation of duties on customs, yens should be converted into rupees not according to the current rate of exchange, but according to the scheduled rate, say, 160 rupees for 100 yens. If the tariff is fixed on weight, then the weight on which custom should be calculated should be true weight multiplied by standard rate of exchange divided by depreciated rate. One ton of commodity from Japan should be supposed to be 160/78 tons and duty should be charged on it. If the yen falls down to a certain value, then automatically the customs duty would be increased in yens and remain constant in rupees, and, by this, they can regulate the whole thing in the custom-houses. The Government can easily work out one or two formula on the line I suggested and apply it to all the countries. This is the only method which is practicable.

As regards the economic production, the interests of the consumers and of the Indian manufacturers differ. Of course the Indian manufacturers have got no right to demand production if they are just starting an industry. We can give them protection only for a certain number of years, but we cannot go on taxing the consumers in order to benefit a certain number of mill-owners and the manufacturers as if they are orphans. This is the thing which we cannot do. I would like to press, that the manufacturers here have got every right to be protected against the depreciated currency, but not for their uneconomic administration. I think it is possible to find a formula by which duties can be automatically regulated at the custom-houses, without each case being referred to the Tariff Board and ultimately decided by the Executive Council or the Legislature. As regards the cheap or economic production, it is entirely a different proposition. I do not know if they could have a right to demand protection for indefinite period without setting their own house in order. We can protect them against depreciation of exchange, but not against cheap and economic production.

Raja Bahadur G. Krishnamachariar: Sir, I wish to congratulate Dr. Ziauddin for he had up his sleeves a very beneficial process by which he is able to indicate the process by which the Government could protect this sort of dumping of goods in consequence of depreciation in prices. But, before I go into the details on this point, there is one point that I should like to make clear, and that is, in answer to the interjection of my Honourable friend, Mr. Gaya Prasad, "At the expense of the tax-payer or the consumer". I suppose what he meant to say was that when they

[Raja Bahadur G. Krishnamachariar.]

get cheap goods in the market, it is undesirable economically and otherwise that you should stop those goods and make the people buy the same goods at a higher prices simply to protect the Indian manufacturer, which means, simply to put more money into his pocket.

Now, Sir, as regards the Japanese products, there is one little matter to which I wish to draw the attention of the House. You go to any village shop which sells cloth. The man goes and says: "I want a pair of *dhoties*". The shopkeeper takes out a pair of *dhoties*. The first question that the man asks—in spite of the fact that his geographical knowledge is very limited—is: "Is this Japanese?" The implication of that question is very obvious, if my Honourable friends would consider. You buy a pair of Japanese *dhoties*, no doubt very cheap, comparatively. The Japanese *dhoties* do not stand for more than three months, while the local article stands for six, eight or even twelve months. Therefore, although the present price is cheap for the time being, it is certainly very dear in the long run. Similarly, take the case of matches. In the case of Japanese matches, you have to strike at least a dozen sticks before you can get one to light; and in a village, on a dark night, when a storm is blowing, you cannot get a light. In the olden days when there were phosphorus matches, which you could strike against a stone or the ground, the case was different. But with these safety matches they will only light on the particular preparation which is affixed to the box; and, as I say, it will not light. I am not exaggerating. I want Honourable Members to go into any village and stay there for the night and take the trouble of finding out the truth of what I say—the trouble there is want of a light, and so on. The same is the case with other Japanese articles with which the villager is supplied at the so-called cheap prices. There is no doubt that the prices are cheap, sometimes 60 to 70 per cent. cheaper; but look at the sacrifice which the villager makes, if you insist that he buys these cheap articles, in the long run. He does not know anything about it; he has got eight annas and he says sufficient unto the day is the evil thereof and buys the cheapest things he can get. I cannot support this process and I, therefore, respectfully ask that the Government of India should devise means by which this dumping of goods from Japan into India can be absolutely and thoroughly prohibited, so that even at the cost of a pie or two extra the Indian may have his money's value. They have got an Anti-Dumping Act in England and so we have got something to go upon, and all that you have got to do is to readjust the position with reference to Indian conditions. With regard to the procedure recommended by my friend, Dr. Ziauddin Ahmad, I am not sure that what he said at the end was not a little bit contradictory of what he said in the beginning. He said that every day, morning or evening, you cannot be watching the exchange and watch the dumping of goods, but in the end he concluded by saying that you can do so by fixing a standard and judge of the every day exchange with reference to that. I may be perfectly wrong in my appreciation of what he said, but whether that is an economic process, whether that is the correct and the statesmanlike process, I cannot say. Just as they say in Urdu "*Am khane se gharaz*". "I want to eat the mango: I do not care to count the seeds and waste my time over it",—I understand my friend Sir Leslie Hudson's meaning is that he wants the mango and that the Government should try to give him the mango; if they sit down and bring to bear all their statesmanlike

qualities, surely it is not a very difficult thing to do and, therefore, I most heartily support the motion made by my friend, Sir Leslie Hudson.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non Muhammadan Rural): Sir, I am glad that this motion has been moved by the Leader of the European Group. We shall be able to understand how the minds of the Europeans are working in this question about protection, and further you will also be able to see that there will not be unanimity amongst the Opposition Benches. In this matter I must make it clear that I am representing my constituency and not speaking on behalf of my Party in any way. These are my personal views. By dumping, ordinarily we mean when it is done by a country selling its goods at a cost which is less than the cost of production in that country and the purpose is to continue it for a time in any other foreign country for the purpose of crushing competition and then ultimately to raise its price. I would like to discuss this motion from that narrow stand point and not in the popular sense of the word "dumping": thus the real purpose of dumping will not be clouded. We must judge, in case it is the Japanese or any other people who are dumping, whether they are selling their goods here at a considerable loss that is, at a price less than their cost of production; and, further, whether there is any danger of the indigenous industries being crushed, so that ultimately the foreigners might raise their prices and get more than their due. The mere fact that certain articles are sold cheap does not prove that it is due to dumping. I am glad that the Leader of the European Group subscribes to the view that when there is any crushing competition from outside, even if it is from England, for the protection of indigenous industries they will help us in putting on protective duty for the preservation of our own industries.

An Honourable Member: Did he say so?

Mr. S. C. Mitra: We must not forget the case of the consumers as well. I do not say that I fully disagree with the Mover of this motion; but if it is really not dumping in its scientific sense, then the case of the poor consumers must also be taken into consideration. If any industry is not really competing with an indigenous industry, in that case, from my point of view of dumping, no question arises. If there is no case for discriminating protection to any industry in India, we can get cheap goods from foreign countries, particularly in this financial crisis,—for the people of India it is a boon. I know the condition of the poor agriculturists when there has been such a tremendous fall in prices of all agricultural produce and we must see that on no account we should lend our support to anything that will compel the poor people to buy their necessities of life at a higher rate, however small it may be.

Only the other day, a responsible officer of the Government of Bengal, speaking before a Committee, was saying that paddy was selling now at fourteen annas, when it used to sell at four rupees a maund before. I am speaking particularly for Bengal. It is well known that the price of paddy has fallen, not by 50 or 60 per cent., but from four rupees to fourteen annas a maund, and rice is the primary produce of Bengal. It must be admitted that as regards the bare necessities of life—cloth, salt and such like things—the House should carefully consider whether by lending support to any such measure they will be helping an increase in the price of any of these things. I think it is a general law that as

[Mr. S. C. Mitra.]

regards the bare necessities of life or the things that are raw materials for other industries, ordinarily there should not be any high duty. In the motion nothing has been said definitely about this dumping: it has been said in general terms "dumping of goods into India by countries with depreciated currencies". They mention here depreciated currencies. Most of the countries have gone off the gold standard and that cannot be said to be a special cause of complaint. I do not say in abstract that there should not be any duty to counterbalance this depreciation. That is not my standpoint, but I would like to warn the House that we must see that the price of these necessities of life should not be raised without due consideration. So I do not say that I am wholly against this motion, but I would like to warn the House about the risk that may face the consumers. Nobody doubts the argument about nascent industries. Even free trade countries accept the argument about nascent industries, and I am glad that Sir Leslie Hudson has taken up the case of the hosiery industry and has impressed upon the Government the necessity of helping it to get out of the present tangle. But, on general grounds, before the House commits itself to an anti-dumping legislation, they must understand what is meant by dumping scientifically. It is not that another country can produce goods economically, because they have better organization or better machinery, and that, therefore, we must put a protective duty and raise the price for consumers. The first consideration we should look to is whether it is competing with our indigenous industries, I mean any of our Indian industries and, if that is once settled, then I think even the gentlemen in Manchester and other places will also consider and see that they do not ask for any favours to kill our big industries which are also more or less in a nascent stage. That is all I have to say, Sir, on this motion.

Mr. Gaya Prasad Singh: Sir, I am afraid that my friend, the Leader of the European Group, under the garb of trying to prevent the dumping of goods into India by countries with a depreciated currency, seeks to continue the policy which was inaugurated at Ottawa, and which was sanctioned by this House. My Honourable friend's anxiety to save the nascent industries of this country from threatened extinction at the hands of foreign competitors is a very laudable one, and we should all support my friend in his endeavour to do so; but, I am afraid, there is something more than that in his attempt. My suspicion is that by trying to inaugurate legislation on the lines indicated by my friend in his speech, he tries in effect to discourage the import of foreign goods into India which ultimately may not be quite beneficial to the consumers, or to the nascent industries of the country, because that policy will stimulate the trade of England with India. As my friend, Mr. S. C. Mitra, has pointed out, the word "dumping" has an express meaning attached to it. A country which produces articles at a cheap rate and sends out her goods to another country, because of its cheaper methods of production, cannot in itself be said to be dumping its goods into this country, because the goods of that country are cheaper than the goods of some other countries which may be more expensive in their production and manufacture. My friend has, so far as I could recollect, given no specific instance in his speech except mentioning some cases of hosiery and other things in which it can be said that the cost of production of these goods has been so low as to be even below the cost at which they are produced

in this country. I should like to take the House back to a time when India was flourishing in her textile and other industries, and how legislation was actually resorted to in England, not on the ground that India was in a position to dump her goods in England, but simply because English manufacturers could not produce their things at as cheap a rate as we were able to do in times past. I will not use my own language, but I will just quote one paragraph from the history of India of Mr. Taylor:

"The arrival in the port of London of Indian produce in Indian built ships created a sensation among the monopolists which could not be exceeded if a hostile fleet had appeared on the Thames. The ship-builders of the port of London took the lead in raising the cry of alarm. They declared that their business was in danger and that the families of all the ship-wrights in England were certain to be reduced to starvation."

Here there is no question of dumping. Nobody took the trouble to ascertain whether the cost of production in India was cheaper than the cost of production in England. It was simply because we sent our goods obviously at a cheap rate that alarmed the manufacturers of England and they raised the cry of danger, and, in fact, succeeded in getting an Act passed by the Parliament altogether prohibiting the import of our goods into their country. I will read out on this point a paragraph from Mr. Lecky,—another historian of great repute. This is what he says:

"The woollen and silk manufacturers of England were seriously alarmed. This led to the passing of the Acts of Parliament in 1700 and 1721 absolutely prohibiting with a very few specified exceptions, the employment of printed or dyed calicoes in England either in dress or in furniture and the use of printed or dyed goods of which cotton formed any part."

Here the House will see that although there was no question of dumping of goods manufactured in India into England, still the mere fact that our goods competed on favourable terms with the goods of England alarmed them to such an extent that they induced Parliament to pass an Act prohibiting altogether the import of our textile goods into their country. I am afraid, that this move on the part of the Leader of the European Group is an act somewhat in conformity with the traditions which have been handed down from their forefathers up to the present time. I have a shrewd suspicion that the Leader of the European Group will find a warm supporter in my friend, Mr. Mody. My friend, Mr. Mody, with his begging bowl has been going about the country, and whenever it suits his purpose he comes to this House asking for protection for his own industry. At other times he kicks at us. Whenever it suits him, he has never hesitated to cajole us, but at other times he has had no compunction in throwing us overboard for the purpose of serving his own interests.

Sir, there is one danger in the proposal of my friend, Sir Leslie Hudson, and it is this, that it might affect adversely the interest of the consumers. I am definitely of opinion, and I think the House will endorse it, that we must try to give, by protection or otherwise, an impetus and whatever encouragement we can to our own Indian industry. But, if a particular commodity is not produced in our country, our consumers should be at liberty to purchase that commodity from any country irrespective of the fact that it is a foreign country or England. What I mean is, that our consumers should have the liberty to purchase their requirements in the cheapest market. But my apprehension is this,

1600

LEGISLATIVE ASSEMBLY.

[6TH MARCH 1933.]

[Mr. Gaya Prasad Singh.]

the capitalists will try to have an Act passed by this House prohibiting or discouraging the import of Japanese or other cheap goods coming into this country. When that is done, they will create a favourable market in this country for the sake of English goods. That is a contingency which I cannot view with equanimity, because it is not to the interest of the consumers of this country, who want to buy their goods in the cheapest market. Only when goods are produced in this country, we can agree to paying somewhat higher prices for our articles, because it is a method of protecting our national industries; but when that object is not secured, I do not think the legislation or other action, that is suggested, is necessary at all. I quite sympathise with the object of my friend, but, I am afraid, this is only the crocodile tear which my friend has been shedding,—it might be a very strong expression to use.

12 NOON. But, none the less, I feel constrained to use that expression, considering what part their forefathers, I mean of the European Group, have played in the past in killing the industry of our country. I will ask the House seriously to consider whether they should subscribe to a proposition which will commit them to a position the full implications of which we cannot envisage at the present moment. In a House like this, which is dominated by capitalist interests, the interests of the poor consumers, the man behind the plough, are liable to be lost sight of. My Honourable friend, Mr. Joshi, is not here to reinforce my arguments with his own excellent speech, but I think that the House should very well see whether the proposition of my Honourable friend will achieve the object which is professed by Sir Leslie Hudson, and we should not take any precipitate action which might result in not only not benefitting the nascent industries of our country, but, on the other hand, thwarting their progress, and, at the same time, increasing the prices of commodities, and thereby increasing the burden upon the poor consumers of this country.

Mr. H. P. Mody (Bombay Millowners Association: Indian Commerce): I greatly appreciate the very temperate criticisms of my Honourable friend, Mr. S. C. Mitra, and I shall try to remove some of the misapprehensions to which he has given expression. But I am afraid I could not understand my Honourable friend, Mr. Gaya Prasad Singh, when he referred very vaguely and darkly to my wooing him at one time and kicking him at another. My Honourable friend, as is well known to this House, is the Chief Whip of the Nationalist Party

Mr. Gaya Prasad Singh: No, Sir. I am not the Whip.

Mr. H. P. Mody: at any rate, he has assumed for himself the functions of the Whip of his Party and I do not know how many times he has decoyed me into the lobby with him and how many times I have actually done violence to my conscience in order to try and meet the point of view of my Honourable friend

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): It is not yet too late to learn.

Mr. H. P. Mody: Therefore, when he talks of kicking and wooing, I say that the boot is on the other leg entirely.

In order to answer the criticisms of my Honourable friends, I would like very briefly to dip into the recent history of this question. The problem of dumping and the measures which are necessary to counteract it were brought to the notice of the Government of India some time during the middle of last year. It was found early in the year that enormous quantities of Japanese textiles were coming into this country and were being marketed at prices which absolutely defied competition and were calculated to ruin the indigenous industry. Thereupon, a cry went up from the various centres of the textile industry, and I led a deputation to the Government of India,—a deputation which was joined not only by the representatives of the industry outside Bombay, but also by the representatives of the various trades and industries throughout India,—Bengal, Madras, Upper India, the Central Provinces, and others. As a result of that deputation and the case we put up, the Government of India made a special reference to the Tariff Board. The Tariff Board put up a recommendation on which the Government of India acted to a certain extent, and, so far as the industry which I represent is concerned, and that is a point which I want to drill into the minds of some of my Honourable friends over there—so far as the industry which I represent is concerned, nothing more need be said at the moment.

Mr. B. Das (Orissa Division: Non-Muhammadan): Did you act up to the recommendations of Sir Frank Noyce?

Mr. H. P. Mody: I have a very few minutes, or I should have very gladly answered my Honourable friend. The textile industry got relief, because the Government of India, under section 3, sub-section (5) of the Indian Tariff Act, have the power to come to the relief of a certain limited number of industries, and they took the necessary action in the case of the textile industry. Something, however, was required to be done in the case of the various other industries which were crying out for relief, and whose case was probably equally strong, but which, on account of a lacuna in the law, were not able to derive any assistance by emergent executive action. A representation was accordingly put up by my Association asking for what is now the substance of my Honourable friend's cut motion. This representation of my Association was supported by practically every leading organisation in the country, Indian as well as European. I can understand their support, because, if you take into consideration the industries which are affected, you will find that it is largely the cottage industries or small factories which have been most hit by Japanese competition, and whose voice is not heard, because, as my Honourable friends would say, they are not as clamant or as favourably situated as the textile industry is supposed to be. My Honourable friend, Sir Leslie Hudson, gave several instances and I would add a few more. Sugar candy entirely Indian, cotton braid, also Indian, hosiery entirely Indian, woollen goods, etc. I am only adding to the list which my Honourable friend, Sir Leslie Hudson, has given. I could go on giving instances in which small industries have been affected, and whose case requires to be looked into immediately, but I must pass on to another subject.

A great deal has been said on numerous occasions, and of course also on this occasion, about the interests of the consumer. I would like my Honourable friends to know that, while the manufacturer may sometimes be oblivious of the interests of the consumer, he is not so utterly callous or indifferent as my Honourable friends would imagine, because, after all,

[Mr. H. P. Mody.]

if the manufacturer were to exploit the consumer, he could not exploit him for very long, and a stage must come when the consumer would begin to kick, and you would have what is called a consumers' strike. In this connection what I would like to emphasise is that the consumer, while he requires to be protected against paying more than the economic price for the product that he is buying, he has no right to expect to obtain his purchases at uneconomic prices, and my contention is, and it is borne out by facts, that what has been coming from Japan is being dumped at absolutely uneconomic prices, and in some cases at prices at which you cannot get even the raw material for the manufactured article. Let me give a few instances to show what an enormous drop has taken place within the last two or three years. Take cotton, braid, about which there was, a couple of years ago, an instructive article in the *Amrita Bazar Patrika* for which, I take it, my Honourable friends have considerable respect. The *Patrika* denounced the Government for its apathy towards this cotton braid industry. In 1930, the price was Rs. 1-6-0 per lb.; in 1933, it has come down to 11 annas per lb., namely, a drop of 11 annas, whereas the raw material for this industry, namely, cotton yarn, has only come down by 2½ annas. That shows the nature of the competition which indigenous industries are meeting with. Take the case of woollen goods. The imports in 1931 were under one lakh; in 1932, they were over six lakhs. Cement has been quoted for January delivery of this year at Rs. 27-8-0 per ton c. i. f., inclusive of duty which is Rs. 18-4-0. In other words, the Japanese manufacturer or middle-man sells cement at Rs. 9-4-0, including the cost of manufacture, the transport from the works to the port, the freight, packing and other charges, and the manufacturer's profit, if any. Then, take the case of hosiery. In 1932, underwear cost Rs. 4-4-0 per dozen. I do not know whether my Honourable friend, Mr. Gaya Prasad Singh, spoke with such an amount of feeling, because he uses Japanese underwear, in which case I could understand it and exonerate him from all evil intentions in this matter. (Laughter.) This underwear, which was selling at Rs. 4-4-0 in February last, is now selling at Rs. 3 per dozen. The quantity imported in 1931 was one million dozen, in 1932, it went up to two million dozen. If I had the time, I could go on multiplying instances not only of the number of industries which are affected, and the quantities which are coming from Japan, but also the methods by which these products are being marketed.

There is just another important point which I want to explain. My Honourable friends asked at an earlier stage of the debate by what method were Government going to give effect to this sort of recommendation. The method is simple. As a matter of fact, even today it is part of the law of the land in the case of a very few industries. The method is this. Where a representation is made to Government or Government themselves take cognisance of a matter and find that an important trade or industry or commodity is adversely affected by abnormal imports marketed at abnormally low prices, then Government, after such inquiry as they may decide to make into the case of that particular trade, industry or commodity, impose, by executive action, a countervailing duty. This sort of legislation exists in a very stringent form in most countries of the world today. In South Africa, Canada, France, Germany, Australia, even in Free Trade Great Britain they have introduced legislation of this sort within the last five or six years, legislation which is calculated to prevent dumping,

whether or not it is dumping in the technical sense of the word. Effective action is being taken practically in the whole of the civilised world today, and it is now sought to be recommended to this House and I trust, that none of my Honourable friends will really oppose it. The essence of such action is speed. You cannot wait until you have set up the elaborate machinery of the law and asked the Legislature to pass a certain measure. In the meantime, lasting and incalculable injury, such as the Tariff Board have pointed out in one of the recent reports, might be inflicted on an indigenous industry; therefore the essence of such action is speedy executive action, to be followed, if it is necessary, by a reference to the Legislature. In most countries that provision does not exist.

Mr. Gaya Prasad Singh: You want the Legislature to be ignored?

Mr. H. P. Mody: I do not want to ignore my Honourable friend or the Legislature. Whether under certain given circumstances, the Government of India should refer such emergent action to the Legislature when it is in Session for confirmation is a matter which requires consideration. I for one would not have the least objection. My whole point is that immediately the interests of an industry are threatened, prompt action must be taken by the Government of India. The interests of the consumer and the interests of the manufacturer are not always conflicting as my Honourable friends would imagine. As I have said, the consumer cannot for any length of time expect to buy his commodities at absolutely uneconomic levels. All that he can expect, whether there is a high tariff or low tariff, is a price which is no more than a fair selling price. By all means if you find that a particular industry is inefficient or corrupt, refuse to give it any protection—such an industry deserves no protection—but when it comes to a question of an industry against which it cannot be charged that it is either inefficient or corrupt, then essential national interests demand that effective and immediate protection should be given.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muham-madan): I think there is a point up to which everybody in this House would be in general agreement, but then there comes a point after which the two sections of the House must be in sharp conflict. We are all agreed that the indigenous industries of this country must be protected and every effective measure that the Executive Government can take must be taken for the protection of the existing industries and the development of new industries in this country. Up to that point we are all agreed, but then comes the next point—Is this House going to give the Executive Government power to prevent dumping, because it is dumping or it gives the qualified power of taking action against dumping, not because it is dumping, but because it interferes with the indigenous industry? Let me give you a concrete illustration. As regards the textile industry, India is able to produce smaller counts and, in doing so, it does not compete with Lancashire though it competes with Japan. If Japan were to dump goods of these smaller counts to India and thus crush the indigenous textile industry in this country, I do not think there is one man sitting upon the Opposition Benches who would not raise his voice of protest against this engine of dumping which is being used for the purpose of throttling the indigenous textile industry; but then comes a stage when India ceases to compete with Japan as, in the finer counts, the main competitor is, let us say, Lancashire. Now, Lancashire complains that

[Sir Hari Singh Gour.]

in these finer counts the dumping of Japan restricts her market overseas. India is not interested in the present or in the immediate future. The development of her industry to that extent is yet in the limbo of the future. Now, what should be the attitude of the Government? Sir Leslie Hudson's motion, if accepted, would come to this that even in the finer counts, where Lancashire competes with Japan, the Indian Government must take action to prevent the dumping of Japanese goods into India and it is there that there is a conflict between the two sections of the House. The Indians, so far as India is concerned, are anxious to protect, by every means within their power, their own indigenous industry. But they have not the same tender feeling for the protection of other countries' industries for the same reason that those other countries have not the same feeling and never had the same tender feeling for the protection of the Indian industry. Now, then, the position is, therefore, very simple. We have to clarify the issue in order to understand what we really want and where we differ from the protagonist of the motion on the other side. We are all agreed that dumping or no dumping, the indigenous industries must be protected. Dumping is only an aggravated form of foreign competition and, even if there is no dumping but fair foreign competition, this House stands committed to the view that the indigenous industries must be protected. To that extent, Sir, we are all agreed and, I am quite sure, when Mr. Mody reflects upon the words he has spoken, he will realise that he is not prepared to go any further than we are on the question of dumping. Dumping, after all, is only one method of competition. It may be by cheapening goods or by mass production, it may be by selling them below the cost price, or it may be by giving a bounty to shipping companies and by other means affording State subsidies for the purpose of driving out competition in the market on which the goods are dumped. Therefore, I do not think there need be any difficulty on the part of Members of this House in making up their minds as to what view they should take; and, I am quite sure, that even my friend, the Honourable Mr. Mody, would not require the seduction of my friend, Babu Gaya Prasad Singh, to go into the Lobby if it came to the vote, upon this clear-cut issue, upon which there cannot be any difference of opinion on the part of the elected Members of this House.

There has been, as my Honourable friend, Mr. Mody, points out, in all countries at the present moment anti-dumping legislation. I have not examined the nature of the anti-dumping legislation in other countries, but I venture to think that the situation of India in respect of this matter is somewhat unique. The Government of India are not responsible to this House. They have a dual obligation: their obligation to this House is moral, while their obligation to the Home Government is legal and real. If pressure is brought to bear upon them to legislate or to take executive action for the purpose of preventing dumping as such with a view to narrowing the road of competition between England and Japan in the matter of the finer counts of cotton goods sold in this country, the Executive Government, taking advantage of the vote of this House, would either legislate or take executive action, and then it would be too late for this House to complain that they had taken action for purposes for which it was not the intention of this House to arm them with the necessary powers. Therefore, the motion of the Honourable Sir Leslie Hudson is deserving of our support but within the qualifications I have pointed out. If my Honourable friend is prepared to concede that dumping

should only be protected against on the ground that it competes with the growth and development of Indian indigenous industries, we would be at one with him; but if, on the other hand, he widens his issue and wants the Government by legislative action or otherwise to take action against dumping, whether that dumping interests the people of India or not (Mr. S. C. Mitra: "Or because it interests Lancashire), and interests only Lancashire or other countries in which India is not interested, then we should demur to that.

One more word, Sir, and I have done. Dumping is an evil, I admit, so far as Japan is concerned. The production in Japan of textile goods and other goods is on a much cheaper basis than it is in England (Raja Bahadur G. Krishnamachariar: "And on a nastier basis"); and, as I said elsewhere, Japanese industry is so thoroughly nationalised, organized and so efficient that it is almost impossible for any country to compete with Japan upon fair and equal terms. (Sir Cowasji Jehangir: "Scientific slave-labour.") But, so far as India is concerned, that need not deter us in the least from protecting our industry and hoping that Mr. Mody and others will take the earliest opportunity of rationalizing their industry and increasing its efficiency to the same extent and in the same manner as has made Japan one of the pioneer industrial countries of the world. (Hear, hear.) Sir, let not this policy of protection, which we stand committed to, operate as a premium upon indolence or inefficiency. (Hear, hear.) The managing agency system of the mills is conducive to inefficiency and uneconomic working of the textile mills. These and other considerations should not blind us to the fact that even as regards the protection of the indigenous industry, our support is conditional and dependent upon the response that we receive from those who are responsible for the development and growth of those industries.

Mr. F. E. James (Madras: European): Mr. Deputy President, I desire to make one matter perfectly plain, at the outset of my remarks, as I think there has been a misunderstanding of the purpose of my Honourable friend, the Mover of this cut, on the part of certain Honourable Members on the Opposition Benches. It will perhaps have been noticed by Members of the House that there is down on the Admitted List of Resolutions a Resolution in the name of Sir Leslie Hudson, myself and other Members of the House in regard to the very same subject now under discussion; and Honourable Members, if they will turn to that Resolution, will discover that it makes specific reference only to cases of those indigenous industries which are being seriously prejudiced by reason of competition in goods imported by countries with the assistance of depreciated currencies or other artificial circumstances. I thought Sir Leslie Hudson had made that very clear in his opening remarks, but if that has not been made sufficiently clear to my Honourable friends, I have his authority now to make it as clear as we possibly can.

Sir, we are not here to advocate the interests of Lancashire. We, in this particular instance, are advocating the interests of the indigenous industries of this country; and, if my friends, Mr. Mitra and Mr. Gaya Prasad Singh, could see some of the representations which we have received from persons within their own constituencies, perhaps their attitude would have been slightly different to what it has been today. At the same time I do appreciate, and I think we all appreciate, the position that has been made, namely, that in taking any action of this description, the interests of the consumers should be very carefully watched. (Hear, hear.) Sir,

1606

LEGISLATIVE ASSEMBLY.

[6TH MARCH 1938.]

[Mr. F. E. James.]

I come of a free trade family which for years has fought for free trade, and I find myself very often in this country having to advocate a position which is entirely contrary to my traditional point of view. Therefore—perhaps more than other people—I should be disposed to regard the interests of consumers more jealously than perhaps other members of my Party or even than Mr. Mody, who, if you will remember, Sir, on the Ottawa Agreement, was all out for the consumer. Therefore, Sir, I think we may say that we are not out for Government to take action precipitately. It is true that, in a matter of this description, it is necessary that Government should be in a position to take immediate action if the circumstances warrant immediate action to be taken. But in such cases my own feeling is that within a specified limit of time the sanction of this Legislature should be secured in support of that action, and I hope that, with the removal of these misapprehensions which have been in the minds of Honourable Members, they will now feel that they will be able to support the motion of Sir Leslie Hudson.

There is one other aspect of the situation to which I would like to draw the attention of Honourable Members. I said earlier that we were anxious to protect the interests of the indigenous industries from what we believe to be unfair and artificial competition; and we went so far as to circulate our various Chambers of Commerce for that purpose only. And only this morning I received from the Madras Chamber of Commerce two or three interesting pieces of information,—the question for example of red lead. Japanese red lead is sold in the market for Rs. 12 a hundred-weight *c. i. f.* compared with the market price of Rs. 21/8/- for red lead made in India. One other example has been given to me and that is in connection with an article which is made in the Mysore Government factory at Bangalore, porcelain cleats, etc., and I find here that they have to encounter Japanese competition in the Madras Presidency at prices which are approximately a little less than half of those at which the indigenous industry is able to sell. And the Mysore Chamber of Commerce, which is a purely Indian Chamber of Commerce, is very strongly advocating protection against this kind of underselling.

Now, Sir, it has been argued in the past, and I believe it is still argued in some quarters, that this is merely a passing phase; that it is a temporary phenomenon which will pass, because Japan's internal economic and financial position is not such as to support a continuance of her present export policy. Sir, that suggestion was made as long ago, I think, as last September, and now we are in the month of March. The question naturally arises as to when a temporary phenomenon becomes a permanent phenomenon, and the evidence from Japan itself is very striking. It must be remembered that just as Japan has for years made careful plans for a policy of Imperial expansion in the East, so Japan has laid just as careful plans for a policy of economic expansion. Honourable Members may be perfectly well aware and may be perfectly well assured that this tremendous increase of Japan's export trade in the East is not merely a fortuitous circumstance. It is part of a deliberately, carefully planned policy; and the position in Japan itself does not warrant any assumption that, economically and financially she will not be able to maintain her present rate of progress. I have here from the *Investors' Chronicle and Money Market Review* of the month of February a very striking article upon the

situation in Japan, and we find the following extracts which I would venture to read to the House, on this one point:

"There is no lack of confidence among the Japanese about Japan's financial position. There is no indication of financial panic. After a poor opening to 1932, exports began to go ahead in the spring under the stimulus of the falling yen, and since July, the monthly figures have been far ahead of those for 1931. This advance has been reflected by greater activity in the country itself where clearings of cheques and Bills are well ahead of 1931. . . . while new issues of capital seem to be showing some signs of rising after being well behind 1931 and comparatively stationary in 1932. Even the desperately depressed farmers"—

—now referring to the year 1932—

"are finding some relief in the better yen prices which they are receiving for their silk and their agricultural produce. It is admittedly by inflationary finance that those better hopes have been produced. But so far there is nothing in the price movements or other indicators to suggest uncontrolled inflation."

Later on, the following occurs in regard to the present situation:

"Japanese business shows great vitality; the budget shows serious weakness. To these considerations must be added a third: that, of the total indebtedness (at the end of 1931), of 6,333,000,000 yen, the external indebtedness was only 1,477,000,000 yen,—so that even in considerable straits Japan should be able to meet her external debt service."

That, Sir, is an impartial review of the financial and economic position in Japan towards the end of 1932, and it does not justify any assumption that this period of export activity on the part of the great Japanese Empire is going to be a temporary phenomenon. It is part of a deliberate plan in which Government, business, and labour are working hand in hand; and it is against this deliberate attempt to undercut our industries by dumping at less than the economic costs of production in this country, specially and solely in regard to indigenous industries, that we claim the help of the Government of India.

Sir, I have made my explanation of the position taken up by Sir Leslie Hudson in the first instance. I have further pointed out that, as far as we can see, there is no prospect of this phenomenon ending in the near future. On those grounds, therefore, I do claim on behalf of the indigenous industries of this country that all sections of the House should support this motion on the understanding which I have given today.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Sir, after my Honourable friend, Sir Leslie Hudson, had finished his speech, there seemed to have been some chance of a little confusion of thought, but the speech of my Honourable friend, Mr. Mitra,—a most reasonable speech indeed,—was, I consider, the proper attitude for this House to adopt. He raised the question of the interests of the consumer. Now, Sir, I should like to be clear in my mind and to see that we are not side-tracked on to an issue with which we are not dealing in this motion. The motion merely deals with the question of the advantage gained by other countries due to the depreciation of their currency. That is the main issue that underlies this motion. We are not by this motion concerned with protection that may have been given to any industry or is likely to be given to any industry for any other reason than that of depreciated currency. What my Honourable friend complained and what most of us have complained is that our industries should not be handicapped—I go further, ruined—due to the depreciated currency of another country,

[Sir Cowasji Jehangir.]

especially Japan; that is the point that we desired so often to bring to the attention of Government within the last few months. It is not only the textile industry that is being ruined, for I make bold to say that all industries in this country, including cottage industries, stand to be ruined if Government refuse to take further action. I would pointedly bring to the attention of my Honourable friends the handloom industry in this country. Silk is woven in this country on handlooms and is being consumed in this country and also exported from this country. I can show you samples of pure silk sold by Japan at fourteen annas, thirteen annas and twelve annas a yard: silk, which, two years ago, or $1\frac{1}{2}$ years ago, was sold at Rs. 1/8/0 a yard. All qualities of silk have gone down in value, not to half, but to less than half in some cases. What is going to become of your handloom industry that is weaving silk and which is being wiped out just now? Do Honourable Members realise that? I am not going to worry you, Mr. Deputy President, or this House by giving other instances of what this motion is supposed to bring pointedly to the attention of Government from the floor of this House.

Now, I come to the question of the consumer which, as I have already stated, is not involved in the terms of this motion. Nobody desires that the consumer should pay one penny more for what he consumes than what he should justly pay. Sir, going again outside the terms of this motion, if a country, due to its system of labour, or scientific slave labour, can produce an article at a rate at which no other country can produce it and if, by such means, it can export its goods to crush the industries of other countries, surely those other countries have a right to protect themselves. That is a difficult question. Over and above the advantages that Japan had over India by way of its labour legislation, its rules and regulations governing its labour, its system of labour, it has now brought against the world another factor, the depreciated currency, one Government have partially dealt with; the other is still left to be dealt with and no waste of time should be allowed to take place. It is not a question of one industry, it is a question of all industries. I quite agree that as regards articles that are not manufactured in this country, any country should be allowed to import at the lowest price. My Honourable friend, Mr. James, has just explained that this motion does not extend to any article which is not manufactured in this country. It is meant merely to draw the attention of Government to industries in this country which will be ruined if Government do not take action. There is a wider issue. Suppose you say "This is a small industry, a cottage industry. It does not much matter if it ceases to exist—why should we legislate?" But the result is most serious. There will then be no competition at all from this country and the price of that article may be raised against the consumer to the extent decided and desired by the importer. It is only internal competition that makes the importer keep his price within reasonable limits. I beg of this House not to forget that all important factor.

Now, Sir, we have had a most interesting debate and it appears to me that we are all practically united in placing this issue before Government and we are all united that Government should take action with the consent and approval of this House. I think we have all got to thank my friend, Sir Leslie Hudson, for having brought this question so pointedly to the attention of Government and, now that his purpose has been served, I feel

that nothing is left to be done but to hear Government's point of view,—and I hope that it will be most satisfactory—and then to allow him to withdraw his motion.

Mr. B. Sitaramaraju (Tanjavur *cum* Vizagapatam: Non-Muhammadian Rural): Sir, ordinarily every question has got two sides, the right side and the wrong side, but this question, Sir, has three sides,—the right side, the wrong side and the capitalist side. Let me assure the House at the very outset that the depreciation of currency, particularly of the yen of Japan, has undoubtedly added considerably to the disadvantage of the indigenous trade. While I am prepared to admit that, to attribute all the present troubles which the Indian industries are suffering the depression from to the depreciation of the yen is neither wholly correct nor just. There are several other factors which have to be taken into consideration before we can judge how far, and to what extent, the depreciation of currency has affected the prices of this country.

Sir, in my own humble way, I have tried to study what could be the causes for all this depression. I find, Sir, that the Government of India themselves are responsible, to a considerable extent, for the misery of the Indian industries. The Government of India, unlike the Government of Japan, are not a national Government to stand behind the indigenous industries of this country. Honourable Members are perfectly aware that we have taxed the machinery in spite of the majority of opinion in this House that machinery, which are necessary for our industries, should not be taxed. In spite of the recommendations of the Fiscal Commission that it should not be taxed but should be admitted free of duties, Sir, it was taxed. It was not our fault. We moved that it should not be,—we carried that out against the Government proposals, but the powers, reserved under the constitution, were resorted to, and the tax was restored by certification. That is one great difficulty. At a time when we in this country need up to date machinery from foreign countries and that at a time when the complete overhauling of machinery is necessary to fight foreign competition, to put a tax on the machinery itself and that, at the instance of the Government of India, is to place the indigenous industry at a great disadvantage with its powerful competitors. At the time when the millowners in this country were making large profits, it did not occur to them then that up to date methods were absolutely necessary to withstand foreign competition; but when the time came for them to improve their machinery in order to keep pace with the rest of the nations, we find that one of the greatest stumbling blocks is the disadvantage which the Government of India have imposed on this country by imposing taxes, not only on machinery, but on the raw materials as well. When we compare the condition of this country with the condition of Japan, we should not lose sight of the fact that Japan not only stands behind the national industries of that country, but she has made it a policy to admit every raw material, that is necessary for her principal industries free and stand behind that policy with all the resources of the State.

It has been said very often that other countries are selling their goods in this country at uneconomic prices. But did the Government of India ever attempt to fix the economic price of articles in this country? What is the economic price of articles in this country? What is the fair selling price? Is it fixed? So long as you cannot fix the economic price in this country, it is not just that you should say that everything is sold at uneconomic prices. Further, there are the labour conditions

[Mr. B. Sitaramaraju.]

Of course we are trying partly to alleviate the conditions of labour to a certain extent. I am one of those people who entirely sympathise with any attempt to better the conditions of labour; but today, in pursuance of the Geneva Convention or some other international recommendations, if we reduce the hours of labour, why do not the Government provide for correspondingly increasing the efficiency of labour in this country? No attempts have been made to improve the efficiency. Therefore, we are again placed at a disadvantage, because when we compel our workmen to work shorter hours without providing for increased efficiency, we compel them to work less for the same cost and, that, again, is a disadvantage compared with Japan and other countries.

Under these circumstances, how can I or any Honourable Member of this House, who feels for his country, have confidence in the Government of India that they will protect the interests of indigenous industries? All is not well with our industrialists either. Up to date machinery and up to date methods are wanting. At a time when they were earning large incomes, it did not strike them as I have said, to put by something for a rainy day. Today they find that it is difficult for them to stand on their own legs and that they have to fight a desperate fight against other countries. There has been no attempt on their part to study the conditions of Japan and other countries which are competing with us. I am given to understand that the waste in this country for want of utilisation is being properly utilised in other countries in the manufacture of cheap material and that is one of the causes for dumping goods from Japan at low price because its manufacture is cheap. With regard to Japan, I may be pardoned if I misunderstood Mr. James; but from his speech I understood that Japan is held responsible for all our troubles and thereby implying that we have got a legitimate cause for nursing a grudge against Japan. Let me assure the House that we have no grudge against Japan. She is fighting for herself and it is not desirable that we should alienate the sympathies of Japan over a matter in which Japan has been doing what she considers best for her own country just as we should for our own country. It cannot, however, be forgotten that Japan has gone full length in the matter of protection; and when we come to the steel industries and other industrial production of ours, we find that Japan has really imposed cent. per cent. duties against our articles. (*An Honourable Member*: "250 per cent!") Therefore, while we concede to Japan the right to protect her own industries, we cannot forget that we have got an equal right to protect our own industries if that can be properly achieved in this country, constituted as it is. My Honourable friend, Dr. Ziauddin Ahmad, has suggested one course. I submit that the suggestion he has made requires very careful consideration, namely, the standardisation of the rate of exchange. The depreciation of the yen alone is not responsible, but the exchange policy of the Government is responsible for many of our troubles. But that is a different story. I would close with one remark. If by this motion we are said to commit ourselves that the Government of India should have the power to take steps in this matter, I for one say that I strongly object to it,—to the Government of India having any power to do anything, and . . .

Sir Gowsaji Jehangir: They have no power: they can only take action with our approval.

Mr. B. Sitaramaraju: . . unless the Legislature has been given proper opportunities and sufficient time to study that question and come to a decision on their proposals, no action, which the Government of India may take in this matter, will be acceptable to us if it is done without our considered approval.

Mr. N. M. Joshi (Nominated Non-Official): Sir, I am very sorry that I was not present here when the discussion was opened by the Leader of the European Group. But I think that I have heard now sufficient to enable me to take part in this debate. The motion is moved in order that the Government should take action to prevent dumping. The Honourable the Leader of the Nationalist Party has stated very clearly that dumping is only a form of competition. If you want to deal with the evil effects of dumping, you will have also to take into consideration measures for dealing with the evil effects of the system of competition itself, because dumping is inherent in this competition. Dumping has been going on all over the world at all times; and it is this method by which several countries have destroyed and ruined the industries and trades of other countries. Therefore, when we are considering the question of taking measures for preventing dumping, it will not be enough to take only such measures as will seem to give relief only for a short time. Moreover it is necessary to see whether that relief will at all come.

It is said that the measures which are required to be taken by Government are only to be taken against dumping, which is facilitated by means of a depreciated currency. I do not know why measures should be taken only against dumping which is caused by depreciated currency. Dumping is bad and is against the interests of an indigenous industry. It is not only dumping by depreciated currencies which is bad: dumping is bad by whatever means the dumping is made. I, therefore, think that it is not enough that we should consider the question of dumping when it is only caused by means of depreciated currency. What is the cause of all this dumping? The cause of all this dumping is the bad system of competition on which the whole system of trade and industry of the world is based. Dumping is nothing but war; and if you take measures like those suggested by my friend, Mr. Mody, namely, countervailing duties, you cannot be sure of success in your measures. After all nobody can be sure about success in war, and this method suggested by Mr. Mody is a war. You may levy increased duty against Japanese goods, but what

1 P.M. will prevent the Japanese merchants from selling their goods cheaper even then? Therefore, you must regard this action as an action of war against Japan, and you cannot be sure whether you will succeed, because it will all depend upon the resources of the Japanese people to sell goods cheaper in spite of this duty and the resources of our industries to continue to sell their goods also at these rates. Therefore, the method which we are following is not the right method and one which is likely to meet with success. It is a very speculative method, and, in my judgment, a very dangerous method too. I have absolutely no doubt in my mind that dumping is resorted to by several countries to ruin the trade of other countries. But my own feeling is that the . . .

Mr. F. E. James: Suggest a better method.

Mr. N. M. Joshi: Moreover, even if we accept that the countervailing duties will produce some good, I have not yet heard whether these duties should be imposed by Government without any kind of inquiry.

Mr. F. E. James: I should like to point out that Mr. Mody definitely suggested that an inquiry should be made in regard to articles in which this evil was anticipated.

Mr. N. M. Joshi: Where legislation is passed to prevent dumping, there must be also provision made for a thorough inquiry as to whether there is need for countervailing duties of the kind which have been suggested, and, secondly, I have not yet heard it suggested by anybody whether Government should also be given power to control prices, because if you impose countervailing duties, it is quite possible that these duties may remain longer in existence than is necessary, and, in that case, they will affect adversely the interests of the consumers. It is, therefore, necessary that Government should have power to control prices when they find that the prices are going up higher than they should. If any action is to be taken on the lines suggested by the supporters of this motion at least two things are absolutely necessary, firstly there should be a thorough inquiry before Government take action, secondly, if Government take action to increase the duties, they must also simultaneously take action when prices go up.

As I have said at the very beginning, the real remedy does not lie in imposing countervailing duties, because these duties are only a part of the war which the world is waging amongst the various nations to capture each other's trade. The real remedy lies in the co-operative action of all countries. We must change our attitude towards each other; we must cease to consider each other as our mutual enemies; we must regard ourselves as friends. That can be done by only one method, and that method is international co-operation. If you look at this question from a proper angle of vision, I would like to know what our friends, who are supporting this motion, are doing in the matter of international co-operation. I have often heard in this House that we should cease to become members of the League of Nations. I have also heard several people accusing the International Labour Conference of having brought ruin on India. These international organizations have not only not brought ruin on India, but they are the only organizations by which international co-operation can be brought about

Sir Cowasji Jehangir: Brotherhood of nations?

Mr. N. M. Joshi: If any action is to be taken in the matter, this is the only action

Mr. F. E. James: Japanese representatives are leaving the League of Nations.

Mr. N. M. Joshi: I am thinking of the whole world. India is not now dealing only with Japan, and so we have to consider what our attitude should be. If our attitude is not of co-operation.

Sir Cowasji Jehangir: That is not the point before us.

Mr. N. M. Joshi: I listened to my Honourable friend very carefully and patiently, and I hope he will also listen to me patiently. I don't mind his interruptions, but I would ask him to hear me only for a few minutes.

Secondly, I suggest, the only way of dealing with this is that the control over the whole export and import business of the country should be taken over by Government. So long as the exports and imports are left in private hands, you cannot effectively protect the interests of the country. Therefore, if the interests of the industries of this country are to be protected and if the interests of the consumers are to be protected, the Government should take the responsibility for the whole of the export and import business into their own hands. It can be done. It has not yet been done, except by Russia. Nobody has yet stated here that Russia has suffered on account of Government having taken control of its exports and imports. Let us try that method. There is nothing wrong in it. You have tried the capitalistic method for a long time. Now, England, it is said, has gone off from free trade to protection. Has England shown that, by adopting that policy, unemployment has decreased? Nobody can say that. England is today not better on account of protection. Therefore, my own suggestion is that we have tried this method of countervailing duties for a very long time, and so we must now give a trial to a new method of Government control over the exports and imports of the country, and, secondly, let us also try the new method of international co-operation instead of international war.

The Honourable Sir Joseph Bhore (Member for Commerce and Railways): Sir,

Mr. B. Das: Is the debate closing now, Sir? Some of us wanted to speak.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): I do not know if the Honourable Member was in his seat this morning when the arrangement was arrived at unanimously by the consent of the House that this debate would close before lunch time.

The Honourable Sir Joseph Bhore: Sir, in view of the arrangement which has been come to in regard to the course of business, it behoves me to make my remarks as short as I possibly can, and, in view of the assurance which I find myself in a position to give, I think the House will agree that it is perhaps unnecessary for me to burden my speech with unnecessary detail. The question which has been raised in the motion before this House is one of the greatest importance and of undoubted complexity. During the course of the discussion this morning, it has, I think, become evident that there is a fairly general consensus of opinion that immediate action is called for and should be taken to prevent dumping which is the result of a depreciated currency,—but that the dominating consideration should be the interests of indigenous industries and the interests of the consumer. I think, Sir, I have, in saying this, stated the correct interpretation of the speeches which have been made this morning.

Now, Sir, the effects of the present invasion which has resulted from dumping, due to a depreciated foreign currency, are admitted, and in the case of some commodities that invasion has resulted in extremely severe competition so far as certain indigenous products are concerned. I have, however, undoubtedly seen in certain quarters the suggestion that the consequential reduction in the prices of certain imported articles is conferring a great boon on such sections of the community as are specially

[Sir Joseph Bhore.]

suffering from debilitated purchasing power. But there can be no doubt that the strain on certain industries has become severe. Now, it has been suggested, I think in the course of some speeches, that Government have been long in making up their minds as to what action they will take. It is, of course, true that Japan went off the gold standard a considerable time ago. She had adhered to that standard for some months longer than we did, and during that interval we naturally were in a favourable position so far as Japanese competition was concerned. But I would like to bring to the notice of the House what the Tariff Board has said in this connection. It has pointed out that the danger is rather from a depreciating currency than from a depreciated currency. Once the position has been reached of a more or less stable exchange, then, compensating factors, as for instance, a rise in the internal cost of living, begin to operate, and indeed we find that, so far as Japan is concerned, there has been a steady, a continued and an appreciable rise in the cost of living index in Japan. But, Sir, despite the fact that I have information in my possession which goes to show that forward contracts for Japanese piecegoods for March and April delivery have been placed at appreciably higher prices than prevailed, say, in January, the fact remains that the increase in the cost of living in Japan has not been reflected to any general or any appreciable extent in import prices. The failure of these prices to respond readily to that factor undoubtedly has created a position which now calls for careful examination.

Then, Sir, there is another, and an important consideration which has greatly enhanced the difficulty in dealing with the situation, and that is the complication caused by the existence of commercial treaties ensuring most favoured nation treatment. The House will, I am sure, agree with me that there is necessity for the greatest care and circumspection when the adoption of a course of action may perhaps lead to the denunciation of these treaties. We have got to examine carefully the effect of such a contingency upon our own trade. I merely mention these facts, however, with the idea of trying to impress upon the House the difficulties and complexities of the issues involved.

Mr. B. Das: But what about Japan kicking the League of Nations?

The Honourable Sir Joseph Bhore: But I would like to give the House the assurance to which I have referred. The whole of this question is at the moment engaging our active and our serious consideration. I hope it will be possible for us to come to conclusions very shortly and I shall take an opportunity at the earliest moment thereafter of making public those conclusions. The House will realise that in these circumstances it is neither possible nor is it advisable for me to go in any detail into the matter at this stage. I hope, therefore, that my Honourable friend will accept the assurance that I have given, and withdraw his motion.

Sir Leslie Hudson: Sir, in view of the very clear and lucid statement of the Honourable the Commerce Member and the assurance that he has given the House that the Government would give the most active consideration to the matter under discussion, I hope that the House will give me leave to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

THE GENERAL BUDGET—LIST OF DEMANDS.

1615

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is—

“That a sum not exceeding Rs. 63,75,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of ‘Customs’.”

The motion was adopted.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): For the guidance of Honourable Members the Chair would like to inform them that in the afternoon Demand No. 17 will be taken up and the Nationalist Party would have the right to initiate discussion on the motion that stands in the name of Mr. T. N. Ramakrishna Reddi in Late List No. 2. The House will now adjourn and meet again at half past two.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

DEMAND NO. 17.—TAXES ON INCOME.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The motion before the House is:

“That a sum not exceeding Rs. 81,24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of ‘Taxes on Income’.”

Removal of Surcharge and Restoration of Old Exemption of Taxable Minimum.

Mr. T. N. Ramakrishna Reddi (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): I beg to move the cut motion which stands in my name on behalf of the Nationalist Party:

“That the demand under the head ‘Taxes on Income’ be reduced by Rs. 100 ”

to discuss the removal of the surcharge on income-tax and the restoration of the old exemption of taxable minimum.

I wish within the brief time at my disposal, to take up the first of these two aspects, the removal of the surcharges. This surcharge was levied by the Emergency Finance Bill in the year 1931. This Assembly agreed to it to meet the emergency that had arisen at that time. We find from the Budget speech of the Finance Member that India alone, of all the countries in the world, or with the exception of one or two, has been able to balance its Budget and its budgetary position has been satisfactory and, as a token of that satisfaction, the Honourable the Finance Member has restored the five per cent. cut to the public services, and I am glad to say that my Presidency of Madras has restored the whole of the ten per cent. cut in all the provincial services.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadian Rural): That is a scandal.

Mr. T. N. Ramakrishna Reddi: That shows that the financial position of the Madras Government is satisfactory. Now, on account of the emergency, that then existed, the salaries of civil servants and others had to be cut and we agreed to the imposition of the surcharge.

Mr. Gaya Prasad Singh: Did you agree or was it imposed on you?

Mr. T. N. Ramakrishna Reddi: Once it has been passed by the Assembly, it means that we agreed though personally I opposed it then. I may say at the outset that this is a very heavy burden upon the taxpayer of India. There is no denying that this surcharge has come over and above the heavy burden of taxation to which India was subjected for the last three or four years. I will take the year 1930-31 which is the beginning of the era of additional taxation. In 1930-31, we levied an additional taxation to the extent of five crores. In 1931-32, we had to sanction additional taxation of nearly 15 crores and, in the emergency Budget of the very same year, we had to sanction additional taxation of 7½ crores for six months of the same year and, also, for 1932-33, we had to sanction additional taxation of 14 crores, 83 lakhs. Altogether we have imposed taxation to the tune of 42 crores 31 lakhs and, hence it is no exaggeration to say that the country has been overburdened with very heavy taxation and it is impossible to get on with this heavy burden any longer. Any relief that is to be given should first be given in the case of surcharges. The Honourable the Finance Member, in making a statement in the Simla Session in 1931, regarding the financial position of the country, promised that he would give relief first in the way of removing this surcharge. He said:

"It is perhaps forecasting too much to say in what order these reductions should be made (referring to the future reduction that he was going to make), but there are certain principles which we consider must be observed. Relief must come first in restoring the emergency cuts in pay and, secondly, in taking off the surcharge in income-tax now to be imposed. I think we may predict with as much certainty as is possible for any such forecast that these special impositions will not in any case be extended beyond 31st March, 1933."

I only request the Honourable the Finance Member to stand by the promise which he had extended in the year 1931 about this additional taxation. What is the income that the Honourable Member has derived and expects to derive in the coming year? He expects about Rs. three crores 50 lakhs by way of surcharges on income-tax and about Rs. 70 lakhs from the income-tax on incomes below Rs. 2,000. Now, the Honourable the Finance Member might ask us that if we remove this surcharge, then we have to make good these three crores and 50 lakhs, because, according to his Budget proposals, there will be only a surplus of 52 lakhs for the year ending 1933-34. Well, Sir, I may say that the Honourable the Finance Member himself has given us the answer to this question and I need only refer to his speech which he delivered at that time at Simla. Calculating the revenue for the two years, he came to the conclusion that there would be a deficit of four crores 34 lakhs. In that connection he said that he

was prepared to meet this deficit by making short provision for the reduction or avoidance of debt. This is what he stated:

"We consider that we are justified in regarding this deficit (that is, 4 crores and 34 lakhs), as covered by making during this period of exceptional stress a reduction of about 247 lakhs in each year from the provision for reduction or avoidance of debt. Even after making this deduction, this provision will amount to four crores 43 lakhs in the current year and about four crores 68 lakhs in 1932-33. When it is remembered that the portion of our debt, which is not covered by productive assets or cash balances, is no more than 194 crores, this may fairly be claimed as an adequate sinking fund allocation in a period of exceptional depression."

Sir, he has himself answered the question as to how to find this money if we are prepared to remove this surcharge. Of course, he made that out for another purpose. But since we have a surplus Budget, that surplus can still be maintained although the surcharge is removed, by making short provision of Rs. 3,50 lakhs in the provision that has been made for reduction or avoidance of debt. Sir, he said he was prepared to reduce the provision which he makes every year under this head to the extent of 247 lakhs for two years and then he said he would be able to balance the Budget. Now, I request the attention of this Honourable House for a moment to the point as to whether any reduction has been made in the provision for the reduction or avoidance of debt as adumbrated by the Finance Member. On page 32 of the Explanatory Memorandum, we find the provision made for this reduction or avoidance of debt:

	Rs.
For the year 1932-33	6,84 lakhs.
For the year 1933-34	6,88 „

Now, this is more than what the Honourable Member provided for in previous years. In the year 1933-34, over Rs. six crores and 80 lakhs are provided. Here I should ask the Honourable Member to keep up his promise and to reduce the provision under this head and thus give some measure of relief to the over-burdened tax-payers of India. This provision is usually made when there is a surplus Budget, but, in this year of exceptional economic depression, no one will find fault with the Finance Member if he has not made the full provision for this reduction or avoidance of debt. Then the surcharge is paid by income-tax assesses who are only about 300,000 persons in all India and it is these very people that have got to invest capital in the trade and commerce of this country. Now, it is well-known that the trade and commerce of this country has been suffering enormously due to various causes on which I need not dilate; and, if this surcharge is to be continued, then the sources of this trade and commerce of the country will be dried up and the country will be in a worse position than what it is in today. This surcharge can easily, as I have shown on the basis of the Honourable Member's own statement which I have quoted, be removed by reducing the provision for the reduction or avoidance of debt. Now I do not want to anticipate my Honourable friend, Diwan Bahadur Ramaswami Mudaliar, by saying that even this deficit could be met by the reduction of the heavy military expenditure. I am not going to anticipate my Honourable friend and, I am sure, the Honourable Member, with his vast study of the army question, will prove to us how we can reduce the military expenditure so that we may even take resort to another method of meeting this deficit.

[Mr. T. N. Ramakrishna Reddi.]

Then there is another aspect. That is the restoration of the taxable minimum as it existed a couple of years ago. From the year 1919, the taxable minimum for income-tax was Rs. 2,000 and incomes below Rs. 2,000 were exempt from taxation and it continued till the year 1931 when the Honourable the Finance Member, in his search for more revenue to meet his deficit, thought it necessary to lower the minimum taxable income-tax limit and this he brought down to Rs. 1,000. I may at once point out that at that time the whole question was discussed and threshed out and the Assembly threw out the proposal by a large majority; but, in spite of that, it was restored by an order of the Governor General. So the House has already expressed its opinion that it would be very hard on the people of this country, who are already suffering from a heavy burden of taxation, to make them pay to the Government further from their slender resources. After this minimum was lowered to Rs. 1,000, the medical expenses of the lower middle classes have gone up, their standard of living has increased and they have to pay more and more for the education of their children. And not only that: they have to meet so many other taxes, for instance, the increased railway fares and postal rates. All these tell heavily upon these lower middle classes who have got very slender means of livelihood and whose incomes range between Rs. 1,000 and Rs. 2,000. Hence it is necessary to retain Rs. 2,000 as the minimum and, therefore, the proposal for a lower limit was thrown out by the Assembly. Now that the emergency has passed, we request the Finance Member to reconsider it and make Rs. 2,000 the minimum limit of taxable income. In this connection we have got the authority of the Indian Taxation Inquiry Committee who also endorsed the view in their report in 1926, that it is necessary to keep the taxable minimum at Rs. 2,000. They say:

"One of the principal reasons for this last increase was the very large number of assesses falling within the lower range of income and the small sum realised by including them within the scope of the tax in relation to the trouble and expense involved in the assessment and collection of the duty. This is a reason which has gained added force since the transfer of the work of assessment from the ordinary district staff to a special Imperial one."

Then they say:

"On the whole it seems to the Committee that it would be best under Indian conditions to set off the higher exemption limit against the absence of allowances in respect of dependents, in other words, to maintain the *status quo* in both matters."

With these words, I beg to move the cut that stands in my name.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Taxes on Income' be reduced by Rs. 100."

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I rise to raise my voice first of all in the interests of the poor man on this question of income-tax. It is often said that to cry here is to cry in the wilderness. But, Sir, I should like to try and touch the sense of humanity of the Finance Member on this point. The first factor to be considered is to compare and contrast the minimum of India's income-tax with that of England. Sir, this point is not a new one. It was placed before this

House on the 17th November, 1931, when the Finance Bill was under consideration. Then, too, an attempt was made to touch the humanity sense of the Honourable the Finance Member, but, I am sorry, the Honourable Member who so pleaded was not able to make the Honourable the Finance Member to yield. But, Sir, I am not one who despairs, so I will try it again today; but I will do it by quoting the same weighty words of that Honourable Member who addressed the House on that occasion. He said:

"In England the lowest taxable minimum for a bachelor is £135; if he is a married man the minimum is about £200. He is allowed £60 for the first child, and £50 for the second child, so that the minimum in England is something like £350 or £360. When we think of that and pit against it Rs. 84, what is the idea that strikes one? In England you have something of the human touch. You think of a man, you think of his wife, you think of his child, and you say that this modicum is necessary for them to live. Am I not then right in saying that when you turn round to tax a man getting Rs. 84 per month in this country and make no allowance for wife or child, you are wanting in the human touch? Let us be human in our dealings when we deal with the masses."

Now, Sir, since this additional tax has been imposed, we know it for a fact, and that is not only our opinion, but, the people at large have endorsed the view, that this tax is a great oppression on the poor and middle class people. This lower tax means assessment on the minimum income of only Rs. 84 per month. Sir, every one knows that the standard of living of even these lower middle class people and the subordinates, who draw Rs. 84, has increased. We also know that these people are hardly able to make their two ends meet. In India, the circumstances are very peculiar. These people have got their families and they have to maintain their children and other relatives; and to charge these people with income-tax like this is simply cruel.

The history of this tax is that long ago this minimum limit was tried and found to be not only unfair, but unworkable and was, therefore, reversed. In 1931, when it was restored, I was present in the House and I know how that tax came to be imposed. Sir, it was represented to be only an emergency measure; it was said that this tax would last only for 18 months and it was, on these representations and, what I call them, solemn promises, that this House was compelled to give sanction to this tax and made these people bear this burden for 18 months. Now, the time has come when that promise requires to be redeemed, specially from such an amiable and kindhearted man as the Finance Member. Sir, it may be said many a time that there is deficit, but that is no ground for not doing justice to these poor people who are groaning under this burden. In their case the hand of mercy must be extended. Sir, in this connection I find that the subordinates in the services are hit harder. It may be asked, how? I say their case has to be considered in respect of this income-tax in connection with and relative to the cuts in their salaries that have been restored to them. At present it is claimed that five per cent. of the cut has been restored to them, but that is not correct at all. If they have to pay this minimum income-tax which they did not pay before, and if this tax is continued simultaneously with the restoration of the five per cent. cut, then their cut has not been restored by five per cent., but by three per cent only. They, therefore, suffer to the extent of two per cent.

[Mr. Lalchand Navalrai.]

Sir, this is not at all equitable and, in this respect, I appeal to the House that Government must reconsider the question of giving relief to these subordinates. The opinion of the country on this lower tax is well reflected in a press contribution a cutting of which I hold in my hands, wherein it is amply shown that even the rich merchant class has considered the position of these poor men pitiable. They say:

“The lower middle classes for whom really any burden is oppressive because of the curious combination of their circumstances and mode of living. It was with this knowledge that the President of the Indian Merchants Chamber, himself a merchant of great wealth, said in his address to the Chamber on 27th January, 1933, that the ‘lower middle class people would naturally expect the income-tax limit to be again put up to its limit of Rs. 2,000.’”

Naturally they want to see the income-tax limit to be restored to its original limit of Rs. 2,000. Considering all these circumstances, I do not think I should waste the time of the House over this question which has repeatedly been condemned now and before. It is now quite clear to the House that this tax was sanctioned only as an urgent measure and, it is now time that it should be removed. What is the amount that the Government will lose thereby is the next question. I submit, the utmost it is only Rs. 70 lakhs. This amount should not be difficult for Government to give up. Next we find that the procedure by which this income-tax is being assessed is absolutely unfundamental. The Income-tax law requires that the assessee in the beginning will be required to state what their income is and then to be assessed; but now a summary procedure has been introduced for these poor men and, according to that summary procedure, the income-tax officer forthwith assesses this lower income-tax of a man *ex parte* and then throws the burden on him to come and prove it to be incorrect. Is this just, I ask. Again, when a poor man brings some evidence, it is generally not accepted. Consequently, there is no other go for this poor man but to pay up and thus feel its pang. The Income-tax Officer never cares to reduce the assessment even after evidence is adduced, and his word is law. Once he has made it he does not like to change it. The poor man goes to the Assistant Commissioner with an appeal, but who is the Assistant Commissioner? He is an official belonging to the Income-tax Department, eating the salt of that Department. Sir, with him too the poor man has the same fate. Therefore, for these poor men there is no guarantee of being treated justly and equitably. There is no investigation by any judicial officer in this respect. Sir, we also further know that the Government, having appointed additional Income-tax Officers and additional establishment in order to realise this lower tax, spend on its recovery. It is, therefore, much better that this tax is removed than to be involved into so many difficulties.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member has one minute more.

Mr. Lalchand Navalrai: I am just finishing, Sir. I want to say a word or two with regard to the surcharge. The incidence of the income-tax has been so much raised, that it presses very hard on the people. There is no justification for continuing the surcharge of 25 per cent. It only adds an insult to injury. Sir, this was also a temporary measure and the

promise of the Honourable the Finance Member should now be fulfilled. There is a surplus of two crores and 17 lakhs in the Budget. At least this will cover the loss of the lower taxes on income. With all these remarks, I say that it is now time that the Honourable the Finance Member should feel the human touch and remove these additional taxes.

Mr. S. G. Jog (Berar Representative): I really wanted to ventilate a particular grievance under this Income-tax head, for the very same reason as my Honourable friend, Mr. Lalchand Navalrai, has said that it is a surprise that we have never failed in our duty, for when we always cry louder and louder and still louder, we at least have the satisfaction that we have done our duty, and then it rests with the Honourable the Finance Member entirely to hear of this public demand. The whole difficulty arises, as we have often pointed out, that the occupants of the Treasury Benches, including the Finance Member, take all the monopoly of wisdom and that it is only the other side that can take into account the grievances of the people and all that this side of the House does is to pass irresponsible criticism and comments to which the Honourable the Finance Member is not in any way responsible and is not bound to give any heed.

Last time when this incidence of taxation was lowered down from Rs. 2,000 to 1,000, this side of the House most reluctantly gave support to it although with vehement protest that it will be only a temporary measure and that it will not come before the House at any time after that. But this year we find that there is the same predicament—the difficulties which we had last year—and also the same proposal of income-tax has been laid before the House. Mr. Navalrai has explained, and expressed in a very careful way, as to what are the difficulties of the people. Our income-tax law, as it stands at present, has not got those concessions which the English people enjoy by the British law. We are already suffering under the different provisions of the income-tax and, over and above, whatever concessions we are enjoining on the incidence of taxation of Rs. 2,000, that also has been taken away from us. In my observation at the time of the general discussion, I explained to the House as to what was the state of things as regards the small traders. I know in my province even small shops of *biddi wallas* and *pan wallas* and other small shops have also been taxed. A similar procedure has been observed: the notice comes to them and these poor people find it difficult—they have got no account books—to show that their incomes come below Rs. 1,000. I know, as a matter of fact, in many cases even people with an income of Rs. 500 or 600 are taxed, because they have not got any account books to show that that is the case. Except giving a promise in his speech, the Honourable the Finance Member has done nothing to accommodate these middle class people. What he has said in his speech is this:

“As regards Taxes on Income, we deplore as much as anybody the necessity for continuance of the present rates, but all that we can promise, and this we do most sincerely, is that they will not be continued longer than is necessary and that all our efforts will be directed to keeping down expenditure, and to preparing in other ways for a lightening of this particular burden.”

Excepting these tears—and I make bold to say that they are crocodile tears—there is nothing reassuring that the middle classes' burden will be lightened in the future. We cannot depend on that promise. The Finance Member says: “You give us the taxes this year and we will try our best to reduce and relax our expenditure also.” But when he finds

1622

LEGISLATIVE ASSEMBLY.

[6TH MARCH 1933.]

[Mr. S. G. Jog.]

that this money is coming into the Treasury, I do not think he will care much for reducing the expenditure. But if he finds that these taxes are reduced and thereby the income also is reduced, then he will wake up and find it impossible to carry on without reducing expenditure. But if he finds that money is coming to him by hook or by crook, his eyes will not be opened and no attempt will be made to further reduce the expenditure. The continuance of this tax is not only cruel, but unjust and inequitable.

There are a number of motions under this head which I have given and one is that the demand be reduced by one rupee for not exempting income-tax on incomes below Rs. 2,000; another is to draw attention to the unsatisfactory working of the Department in not giving proper information to the assessee as regards the basis on which tax is assessed. The income-tax people sometimes get very wild rumours and vague information and they charge the assessee accordingly; if the assessee goes and asks the Department people as to what is the total on which they have come to this conclusion, he finds it difficult to get any information or any basis on which the officer comes to the conclusion that his income is so much: in that way also the assessee is handicapped: he gets no information as to the basis on which the assessment is made.

The Finance Member generally charges this side of the House with not giving the officials any constructive suggestion. It has already been pointed out that the Finance Member has shown partiality or has got a somewhat soft corner for the services, for which I for one do not grudge; but at the same time, he has not shown that sympathy and that spirit of accommodation towards the trading and middle class people. Just as he has reduced the cut in salaries by five per cent, could he not have done the same thing by reducing the taxable limit from Rs. 2,000 to Rs. 1,500? Will he not kindly consider it and, instead of ignoring the criticisms on this side, will he not seriously pay attention to this important suggestion and reduce the amount to Rs. 1,500 at least? In that case, as we have just shown, a certain amount of relief would be given. He has given relief partially to the services. Will he not be able to give some relief by lowering down the limit from Rs. 2,000 to Rs. 1,500 and thus afford relief to this class of people who are clamouring and who are crying in this House? It would at least give some equitable and justifiable relief to these suffering people. We have said enough on this question, but there is no doubt that this side of the House is very keen on this point and I would earnestly request the occupants of Treasury Benches as well as the other groups and parties to support this cut. Sir, I support.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, I want to rouse the Honourable the Finance Member from the very close attention that he has been giving to the previous speaker into a mood of sympathy with what this token cut aims at. I am not surprised that the Finance Member should have been sleeping over the trouble

The Honourable Sir George Schuster: Does my Honourable friend suggest that I was asleep?

Mr. C. S. Ranga Iyer: I said the Honourable the Finance Member was sleeping over the troubles that he has brought upon the people whom he had taxed. I had already said that he was closely listening to the

observations of the previous speaker and pondering over the emergency, with which he has been faced. I do not believe that it is the intention of the Mover of this motion to press it to a division and then to inflict something in the nature of a censure on the Finance Member for the very simple reason that the arguments that were presented by us to the Honourable the Finance Member last year or a little over last year are the same arguments that we have to place before him this year. Unfortunately for us the emergency has not been tided over, but I do hope that the Honourable the Finance Member will realise, especially in regard to the taxable minimum, that there is a great deal of feeling in the country. These are very hard times, and I personally feel that the Finance Member feels that these are very hard times, though, unfortunately, owing to circumstances, over which he has no control, he is not able to give unto the tax-payer what is certainly the poor tax-payer's due, namely, release from taxation for those who are getting less than 2,000 rupees a year. I hope that the Finance Member will bear in mind that at the earliest possible moment he will release the poorer tax-payer, the man who draws less than Rs. 2,000, from this bondage. He deserves the same attention that the Finance Member has given to the members of the services by reducing the misery of a salary cut against which they had protested so vehemently in a previous year.

I do not want to take more of the time of this House, for I have closely read the voluminous speech, packed with facts and figures, of the Honourable the Finance Member; and though unfortunately I could not have an opportunity of taking part in the second day's debate, for no fault of yours, Sir, as I had to attend certain ceremonies, I thought that I would take my opportunity on a future occasion, when the Finance Bill comes up at the third stage—to make my own general observations on the subject. I recognise that the taxes are heavy, but I read in the speech that the Finance Member recognises that the taxes are really unbearable. He admits to a certain extent that the taxable capacity of the people has been reached, though he believes and that is an arguable point, that India has had the capacity to bear so much burden and she has borne it well. That, as I say, is an arguable point, but I want the Honourable the Finance Member to realise when he replies that there is a tremendous feeling among the poor classes, men who are getting below Rs. 2,000, a year that they should be made to pay a tax, because these poor people have also children to educate; they have also large families. It is a tragedy in this country that the poorer the man the larger his family. Poverty and large families seem to go together all the world over, but that is more so in this country. Owing to the joint family system and other special circumstances which exist in this country, one bread winner of a family has innumerable dependants. Therefore the tax, he has to pay, weighs heavily upon him. I hope the Honourable the Finance Member will give his earliest attention to this aspect of the question and give real relief to the lower middle classes. (Applause.)

Mr. B. Das: Sir, I do invite my Honourable friend, the Finance Member, to reply to the points I raised in the general debate. I particularly drew his attention that he ought to redeem a part of the pledges he gave. As far as I understood the speech, when he introduced the Emergency Bill, while he has given a certain amount of relief to salary earners, he has not done anything to give relief to the income-tax payers. So I do appeal to him to remove the surcharge on the income-tax and

[Mr. B. Das.]

also remove the income-tax from Rs. 1,000 to Rs. 1,999. If my friend cannot see his way to abolish the surcharges on all income-taxes, I would appeal to him to go up to the extent of Rs. 5,000 even. I do not mind even if my friend doubles the surcharge on the Bombay millowners, who this morning found strange bedfellows in my friends, the European Group combining together to appeal to the Commerce Member to do away with the Japanese dumping. Of course, Japan has become a menace to the whole world, and I do not mind giving my support to the Government to do anything against Japan which, as I said, has become a real menace to the world

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): You are now a friend of China?

Mr. B. Das: I am a friend of humanity, and if Japan has violated all ideas of humanity and has become a menace to the world, to Asia and India in particular, by becoming an aggressive imperialist power, I certainly think that we must all do whatever is possible to help the Government in putting down Japan. Japan has kicked the League of Nations and all canons of humanity in launching war against China. Belonging as I do to a subject nation, I have no armed force, nor can I show the power of India to Japan, but there is the moral force, and, in the present aggressive campaign which Japan has launched against China, I am sure, every Indian will lend his moral support to China, by boycotting Japan and Japanese goods and by starting a war relief fund for China.

In my speech I also alluded to the fact that my friend, the Finance Member, had provided for redemption of debts. When we are passing through hard times, I consider that provision for redemption of debts in these hard days is a luxury in the Budget. Let my friend give relief to the masses, and the proper relief he can give is to abolish the income-tax and the surcharges, and, for that purpose my Honourable friend can summon a committee and take some of us into his confidence. If he is not sufficiently armed with figures, there is my friend, Mr. Vachha sitting behind him, and, if the figures will go the wrong way, some of us will even agree that a double surcharge should be levied on certain people of Bombay, and, I am sure, in that the House will entirely agree. I know that every one of us will welcome the idea that our Honourable friend will be amidst us for the next two years, and, during that time, I think my friend will give us Budget speeches in a different tone, because we have reached the bottom of our depression, we are going to have better days. When the Finance Member himself acknowledges that we have come to better days, let him give a little relief to those who are suffering the most. And, Sir, what do I find? Today the Government of India and the capitalists are all combined. Like the late Hugo Stinnes in Germany who became the super capitalist in Germany and ran all parliamentary elections and swamped the Reichstag and wanted the Reichstag to obey the dictates of capitalism—but fortunately the crash came and German Parliament got out of the capitalist control—the Indian capitalists are also combined, and they come to the Government for assistance, and Government think that India consists of about 200 capitalists who come with their begging bowls to my friend, Sir George Schuster, or to my friend, Sir Joseph Bhore. But what happens to the millions and millions of people? What are the Government doing to

relieve these poor classes? Nothing. Government, on account of their sympathy for the capitalist classes, are practically exploiting these poorer people who are exploited again by the rich capitalists by the high prices through the protected system of tariff by which the Honourable the Finance Member is pleasing those 200 beggars from Bombay, I mean the capitalists. So, Sir, I do hope that my friend will, in his reply, give me a proper explanation to all the points I raised in the general discussion. The poverty of the masses, and especially the poverty of the lower middle classes who are going through dire distress, is really very extreme. If my friend will justify his case, then the House should know how he and his colleagues will justify the other case when he brings forward high tariff measures only to satisfy a few Front Benchers.

Mr. C. C. Biswas: Sir, I desire to associate myself with the previous speakers in the appeal which they have made to the Honourable the Finance Member for a little relief in the matter of the income-tax impositions. The House is fully aware of the emergency in which it had to lend its support to the taxation proposals which were brought before it by Sir George Schuster in September, 1931, but if I have followed the speech of the Finance Member delivered on the present occasion aright, I believe he is of the opinion that we have turned the corner, and, although, according to him, we must not relax our efforts at economy and retrenchment, still the worst days are over and we may look forward to better times. If that be so, I do not see why relief should be afforded only to those who are in the service of Government. I was reading the speech of the Honourable the Finance Member of September, 1931, and I find this is what he said, referring to the new impositions which he was then putting on:

"It is perhaps forecasting events too much to say in what order these reductions should be made. But there are certain principles which we consider must be observed. Relief must come first in restoring the emergency cuts in pay, and secondly in taking off the surcharge on the income-tax now to be imposed. I think we may predict with as much certainty as is possible for any such forecasts that these special impositions will not in any case be extended beyond 31st March, 1933."

He was trying to look forward to the time when it might be possible to take off the income-tax surcharges and other burdens. Sir George Schuster, in his Budget speech this year, relied on the first part of his statement, but I should prefer to rely more on the concluding sentence in that paragraph, where he said that in no case should this special imposition extend beyond the 31st March, 1933.

As a matter of fact, by reducing the salary cut from ten per cent. to five per cent., he has shown that it is possible, in the present financial condition of the country, to grant some relief. Income-tax no doubt occupies a second place in the category of exemptions he referred to. At the same time, there is the other statement of his, that he was hoping that under no circumstances would either of these impositions remain in force beyond the 31st March, 1933. I do not wish to suggest ways and means as to how the Honourable the Finance Member should afford the relief we are asking for. If he is so minded, I know very well he can do it. As a matter of fact, during the last two years, as has been already pointed out, he had not made full provision for avoidance and reduction of debt. Why could he not follow the same procedure for this year also? We find, on the other hand, that the provision made this year is for the full amount. Then, there is the other fact which you find from his speech, and it is this,—the question of the payment of War debt liability.

[Mr. C. C. Biswas.]

He has admitted that although the Hoover Moratorium is no longer in operation, still His Majesty's Government have not demanded payment of the charges from India this year. All the same, he has thought it fit to make full provision for that. I ask, why could he not put that off till the following year? If he could not put off the whole amount, at any rate he could have reduced the provision for this year, and, in that way, he might have, without disturbing the budgetary equilibrium, given some relief to those who surely deserve relief. I am sure, the Honourable the Finance Member will not dispute for one moment that this taxation of incomes between Rs. 1,000 and Rs. 2,000 is perfectly iniquitous. Direct taxation is always a very odious thing, but when we come to tax incomes so low as Rs. 1,000, especially in these days of economic depression, the measure becomes, I repeat, utterly iniquitous. I am quite at one with my Honourable friend, Mr. B. Das. If you must have higher income-tax, realise that higher income-tax from those who are better able to bear that burden, but, for heaven's sake, do not lay on more burdens on the poorer sections of the people than they can possibly bear. You are getting about Rs. 70 lakhs from incomes below Rs. 2,000. You can forego the amount, or you can increase the rate of supertax and realise that amount, if you must have it. But do not tax those who were not taxed so long and whom you did not intend to tax for more than 1½ years.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa; Muhammadan): Sir, I whole-heartedly support the idea for a reduction of the tax, but I must tell Members on this side that this is not the time for it. We can do it when the time comes, by means of our vote. The best course for us is to unite, and to ask all Honourable Members to attend the meetings of this Assembly. In such a thin House as this it is very difficult to defeat the Government. If you count the votes, you will find that we are sufficiently strong to defeat the Government if we can but unite. When the Finance Bill comes before us, we can bring in an amendment and have it passed and there is absolutely no need to appeal to the Finance Member to reduce this taxation and that taxation. Government no doubt will do their best to feed those who are already getting fat salaries, but, if the Members of the House, who have been elected by the people, unite they can have their own way and there will be no need for appeals to any one. (Hear, hear.)

Mr. S. C. Mitra: I am glad that my Honourable friend, Mr. Maswood Ahmad, has taken part in this discussion; otherwise the impression might go round that the other Parties in this House are not taking any interest in this motion. We on this side are generally in agreement with the motion under discussion. We fully agree that all attempts should be made to have a balanced Budget, and if there is no other way, the richer classes are certainly the people who should bear the burden, but on one point I do not agree with my Honourable friend, Mr. B. Das. He thinks that capital is a useless thing. It is an elementary principle of economics that just as land and labour are necessary for the production of wealth, capital forms an equally indispensable factor. People who have the interests of the poor people at heart should not lose sight of the fact that in a poor country like India the little capital there is should not be over-taxed unnecessarily. As regards the assessable limit, I would like to urge for the consideration of the Finance Member that though he has reduced it from Rs. 2,000 to Rs. 1,000, he has not realised much income. In

1933-34, he expects to realise Rs. 18.23 lakhs, that is, 70 lakhs more than for 1931-32. But he is spending for that purpose more than 11 lakhs, because the expenditure in 1931-32 was Rs. 73.84 lakhs, while in 1933-34 it is expected to be 84.83. Out of these Rs. 11 lakhs, I understand that about two lakhs will be spent on strengthening the Bombay Income-tax Office, and the balance of nine lakhs will be spent on realising the income-tax from people whose income is between Rs. 1,000 and Rs. 2,000. The expenditure comes to 12½ per cent., whereas, for the realisation of the bulk of the income-tax, the expenditure figure is only 4½ per cent. Comparing the figures for the two years 1931-32 and 1932-33, I find that an additional expenditure of Rs. four lakhs was incurred to have an excess income of Rs. 21 lakhs and it works out to about 20 per cent. What I wish to show is when the Government go down to realise tax from people whose income is Rs. 1,000 a year, which means Rs. 83-5-4 a month, that is, people who can hardly meet even their bare necessities of life—is it worth while for Government to waste 12½ per cent. for the mere realisation of this little income, and would it not be wiser to remit the income-tax in the case of those people who can hardly be called even the lower middle class? The condition of those people whose income is less than Rs. 100 per month has been described by more than one Member and it is desirable that incomes below Rs. 2,000 per annum should be exempted from the operation of income-tax. I fully agree with Mr. Maswood Ahmad that the proper time for us will be when we come to the Finance Bill. Then we ought to vote it down and I hope the Honourable the Finance Member will keep his mind open and will not put the official block against such suggestion. With these words, I support the motion.

Raja Bahadur G. Krishnamachariar: I too support this motion. There is not much to say as speakers have already dealt with every side of this question, but there is only one point on which I would invite the special attention of the House, and that is that, in addition to the cost that is incurred in realising this money, the trouble to the smaller income earning man to give the return and get it passed through the income-tax officers' hands is so great that the amount that they realise is not worth the trouble. It is perfectly true that the agriculturist is not affected by this, but it is the man who earns the small income, whose case deserves consideration. It is he who is put into trouble, because, generally, he does not keep accounts, and it is only a matter of guess, on the part of the income-tax officer, as to what his income might be, and, as has been pointed out in a Bill which is now before the Select Committee, there is no way of getting over the verdict of the income-tax officer with the result, whether you like it or not, he has got to pay this tax in addition to the numerous other demands that he has got to meet. It is perfectly true, as my friend, Mr. Maswood Ahmad, pointed out, we can defeat this motion if we all join. I do not think there is much safety in that, because once the Government make up their minds, they will restore it the next day and, therefore, you will be having only a Pyrrhic victory with absolutely nothing behind it, whereas, if the Honourable the Finance Member wants, I do not say he did not want it now, if he takes a little more care, if he brings to bear his great experience and intelligence upon this very very small matter, the finding of a sum of about 75 lakhs is not too much for him in such a huge Budget. There are so many demands and so many items. Something from here and something from there would make up this amount and there will be no trouble at all. I appeal to him, on

[Raja Bahadur G. Krishnamachariar.]

behalf of this long suffering class of people, to bring his statesmanlike mind to bear upon this matter and to see that this relief is granted. Don't run away with the idea that the people of India have got on very nicely over this depression. They do not easily turn. Proverbially even the worm will turn, but the people of India are worse even than this worm. They do not turn easily. At the same time, don't be under the impression that they do not feel it. If you go to a village and study the conditions, you will know what it is like. I lend my whole hearted support to this motion and invite the Government to consider this seriously. You will become more popular with these poor people and I do not want you to act on the principle "To him that hath more shall be given and to him that hath not even the little that he hath shall be taken away from him".

Mr. K. P. Thampan: I had no idea of intervening in this debate but for certain remarks that fell from my Honourable friends, Mr. Mitra and Mr. Maswood Ahmad. They said categorically that they agreed with the principle of this cut. At the same time, they asked my friend, Mr. Reddi, to withdraw his motion or, in essence, not to press it.

Mr. M. Maswood Ahmad: I did not say that.

Mr. K. P. Thampan: The proper thing for the House to do is to press this motion, so that the country outside may know that we Members are trying to do our duty by them. My objection is not so much against the surcharge as against the minimum taxable limit. The extracts, read yesterday by my friend, Mr. Mudaliar, and by Mr. Biswas, today, more than show that the Honourable the Finance Member gave us a hope, if he did not promise, that the new taxation would be withdrawn as soon as conditions permitted. The announcement that the cut would be partially restored made us believe that the surcharge would be removed and the taxable limit restored to Rs. 2,000. We were very much disappointed to find that neither was done in the new proposal. The salaries were fixed and revised at a time when prices were high and conditions were prosperous. Since then the index prices of commodities have gone down by 55 per cent. and, therefore, by restoring the cut, you are giving an additional 45 per cent. to the purchasing power of this community. That is, indeed, an invidious distinction to my mind and is quite unwarranted. The interests of the tax-payer ought to be the primary consideration of the Government and not those of their own servants. The service is intended for the people and not the people for the service. In this country, unfortunately, the state of affairs seems to be different and the servants are the masters. Inasmuch as Government are restoring half the salary cuts and there is a balance of 41 lakhs in the Budget for the next year, it is up to Government to see their way to redeem their promise and accept this motion. If, however, that is not possible, they ought to give relief to the same extent as they are giving to the service. In other words, reduce this surcharge by 12½ per cent. and the income-tax on incomes up to Rs. 2,000 by two pies. That is an aspect which I would commend to the acceptance of the Government. Sir, I support this amendment.

Sir Cowasji Jehangir: Sir, I had not the slightest intention to take part in this debate. I thought we had discussed this question sufficiently during the general discussion. This motion is really a continuation of the general discussion and I came to the conclusion that it was not necessary to take part in the debate. Our opinion, Sir, is well-known to the Honourable the Finance Member. It is not paying a compliment to the Finance Member, I think, to remind him as to what we think of the surcharge or of the high rate of income-tax. He has been made aware of our opinion, not only during the general discussion, but last year and the year before. The position this year is a continuation of the position that existed last year and even of the position that existed when he suggested to this House to accept the surcharge. Sir, the very fact that the Finance Member has not been able to propose a reduction of the tax is an admission on his part that the emergency conditions continue. I do not know whether there is anybody in this Honourable House who is in a position to prove to the contrary. Emergency conditions do continue, but it is also unfortunately true that trade and industry and commerce

Mr. M. Maswood Ahmad: And agriculture as well.

Sir Cowasji Jehangir: are in a worse condition just now. Well, income-tax does not affect agriculture. Sir, trade, industry and commerce are in a worse condition than they were when he suggested the surcharge, and the best argument that we can put forward to the Finance Member is that this surcharge at present works to greater disadvantage of industry, trade and commerce than it did when he first suggested it; and, therefore, if there is a case for its reduction, it is stronger today than it was when he suggested it. I do not think that the Finance Member is in a position to show that our trade, our industry, our commerce, our exports are better than what they were in September, 1931, nor is he in a position to show that the prices of our commodities were lower than they are today, and, therefore, I am sure, he must admit that the surcharge operates as a severer tax on us today than it did a year and a half ago. All that being granted, what are we going to suggest in substitution for the reduction of income-tax? Either we have got to suggest another source of revenue, or we have got to ask him to reduce his expenditure. Now, the one head under which suggestion after suggestion has been made in the Army. My Honourable friend has told us that he is satisfied with the reduction in the expenditure on the Army. We shall have an opportunity of discussing that the day after tomorrow, when we hope to show that the reduction, although it may be substantial, does not meet with our demands. We shall be able to show that it should be greater. Well, if we can prove to our own satisfaction and to his that the expenditure on the Army can be decreased this very year, we have a right to expect that he should reduce the income-tax and, therefore, the reduction of income-tax is tied up to a great extent with the discussion of the Army Budget.

Mr. Gaya Prasad Singh: Why Army? Why not retrenchment in civil expenditure also?

Sir Cowasji Jehangir: I pointed out the Army as the biggest head of expenditure in respect of which we are all unanimous in thinking that a bigger reduction can be obtained than under any other head of expenditure.

[Sir Cowasji Jehangir.]

(Hear, hear.) The civil heads have been examined, and my Honourable friend, Sir Abdur Rahim, has taken the greatest trouble, as Chairman of the General Purposes Sub-Committee, to look into this matter; and we shall also have an opportunity of discussing the second biggest item of expenditure—the Political Department. Now, if we can satisfy ourselves first and then the Finance Member, that a further reduction is possible, he can safely take the risk of reducing the income-tax, in the hope of getting a reduction under these two major heads.

Now, I would point out to the Finance Member a suggestion which I have already brought to his attention and that is that, if any relief can be given immediately, it should be in the lowest grade, that of those who earn between Rs. 1,000 and Rs. 2,000. (Hear, hear.) Sir, these are men earning from only Rs. 83½ per month; and, if my Honourable friend has had his hands forced or has had to return to that class of men in Government service five per cent. out of the cut of ten per cent. that he made a year ago, surely the employee in private firms deserves some sympathy at his hands. Is that man any better off today than he was last year? Why should the lowest-paid Government servant only get relief and why should not the lowest-paid private servant also get some sort of relief? And my Honourable friend can give that relief by raising the limit to Rs. 2,000. It is one way of doing it and, therefore, if we can show that it is possible to have a reduction of expenditure either under the head of the "Army" or under the head of the "Political Department", it will be our duty from this side of the House first to urge upon him, or even to force his hands, to reduce the income-tax on the very lowest grade.

I do not think, Mr. Deputy President, that any further purpose will be served by this discussion. It merely is, as I have said, an extension of the general discussion. We shall consider the matter again, all of us combined. After all, we are all of one mind, whatever parties we belong to. (Hear, hear.) We are all of one mind, Sir, that firstly, the income-tax shall be reduced, and secondly, we are all of one mind that relief should first be given to the lowest grade. (Hear, hear.) Those are the two principles on which we are all agreed; and, thirdly, we are agreed that the Finance Member has a right to see that his Budget is balanced. All these three principles must be satisfied; and, I am certain, that we are all going to help him to satisfy those three principles. But we expect from him assistance also, so that he may meet our point of view, which does not, after all, affect any of us here. I do not think there is anybody here amongst us whose earnings or salaries are Rs. 83 per month. We are really and honestly fighting for the poorest wage-earner in the country who is taxed. Nothing else. We are going to press his claims

4 P.M.

upon the Finance Member at every opportunity from today onwards till he has done away with the limit of Rs. 1,000.

Sir Hari Singh Gour: Sir, it has been very refreshing to hear the two speeches that came from my colleagues, Sir Cowasji Jehangir and Mr. Maswood Ahmad. They are both enthusiastic supporters of the motion, but one of them would postpone its consideration till the Finance Bill came up before the Assembly, and the other would make up his mind day after tomorrow after his Party cut on the reduction of military expenditure has been voted upon. Sir, I should have expected that Honourable Members had already made up their minds on the feasibility of reduction in the

military expenditure when they gave their notices of cuts. But, I suppose, my Honourable friends to my left are still awaiting some inspiration from high, the advent of the angel Gabriel with a golden pen or with his golden voice to whisper into their ears between now and day after tomorrow that the military expenditure does require substantial reduction so as to justify their support of the motion of today. Sir, I have listened to many speeches from this side of the House, but we have wondered what to make of the speech in which the support for a motion which comes up for discussion today is to be decided upon after my Honourable friends on that side have convinced themselves and the House of the necessity of reducing military expenditure. Sir, I should have expected

Sir Cowasji Jehangir: Sir, may I interrupt my Honourable friend for a minute? That is entirely due to their not being able to suggest a more logical cut.

Sir Hari Singh Gour: We are all very clever logicians when we wish to evade the issue. In the normal course of affairs the income-tax came up today, because we shouldered the responsibility which my Honourable friend and his colleagues shirked from shouldering today, because they said they were not ready to take up the first day for their cuts.

Sir Cowasji Jehangir: Sir, my Honourable friend is, as usual, indulging in incorrect statements. It has become very usual with him, but I wish he would now give up the habit.

Sir Hari Singh Gour: Sir, I am a pupil in the school in which my Honourable friend, Sir Cowasji Jehangir, is the preceptor, and, if occasionally I take a leaf out of his book, I certainly should not be sorry to do so.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): The pupil has outstripped the master.

Sir Hari Singh Gour: The position with which we are confronted at the present moment is a simple one. The motion of Mr. Reddi was for the reduction of the taxable limit to what it was before the emergency surcharge was made in September, 1931; and he wants further that the surcharge of 25 per cent. be remitted. And, I submit, his reasons are irrefutable. He says that you have yourselves assured the House when the emergency Budget was on the tapis in September, 1931, that these emergency measures would terminate with the end of the present financial year. But they have not terminated. We could have understood the position of the Honourable the Finance Member if the Budget as a whole had been once more revived for the next year. But changes have been made in the Budget; the ten per cent. cuts on the services have been reduced to five per cent.; and what justification have you for not making a proportionate reduction in the income-tax upon the poorer class of people who make an income of as low as Rs. 83½? That, Sir, is the gravamen of our complaint. Some Honourable Members say that we should wait till the Finance Bill comes. Honourable Members must be aware that the little finger of the official is thicker than the non-official loin, and that whatever we had done last year with the vote of the united Opposition was set aside by one fiat of His Excellency by restoring the cuts which we had unanimously made. Consequently, if anybody thinks of waiting till the Finance Bill, I will say that we will be confronted with the same difficulty with which we are confronted today. And there will

[Sir Hari Singh Gour.]

be an additional argument against making alterations to the Finance Bill when we allow this votable item on income to go unchallenged. The Finance Member would stand on stronger ground, and say that if the Honourable Members on this side of the House objected to the income-tax upon any grounds, their time was when they were voting the demands. No doubt they can take the belated course of amending the Finance Bill, but does that take away from the fact that during all these days, when we have to vote supplies to Government, we should sit with folded hands and wait for inspiration? Sir, it is our duty to give the earliest notice as to what cuts we wish to make and to give reasons therefor; and Mr. Reddi has done a public service in taking time by the forelock and rising in his place to draw attention to the fact that this is the crying need of the hour. The poor man is being saddled with additional taxation and, if Honourable Members will only recall what the Finance Member said in his Budget speech, they will see the additional reason that we have for pressing for this cut. Honourable Members will remember that it was a part of the scheme of the Finance Member adumbrated in September, 1931, that while he had made all-round ten per cent. cuts in the pay of the services, he had exempted the services from the additional surcharge on income and super-tax. And, in his speech, the other day he pointed out that the removal of that exemption means that they will have to pay an additional 2½ to five or six per cent. Now, let us examine the question from the reverse point of view. During the 18 months, because they were exempted on the one hand and all alike in the higher and lower scale was subject to the ten per cent. cut, the cut fell more heavily upon the lower salaried official than it did upon the higher salaried official. Therefore, justice demands that he who has been more penalised than the higher official should also get the earliest relief. That, I submit, is a point which cannot escape notice and that is a point upon which there can be no answer, so far as we are able to see. Therefore, we say that the question is a pressing one, the question upon which we on this side of the House, regardless of the doubts and vacillations of others, feel strongly and desire that the Government must not count our heads, but see to the reasonableness of our arguments and, if the Government are convinced that our case is a just and righteous one, we not only expect the Government to accept our motion, but to give effect to it at the earliest possible moment.

Sir, we have been told by apologists of Government: "If you make this cut, where is the money to come from?" I have from my place for the last 12 years heard this hackneyed argument and the reply has been: "If you give us the Budget, we will then be able to go item by item and show you how the Budget can be balanced and justice done to the poor tax-payer. It is not for us to revise your whole Budget". We have not the means and so you should not complain. Our function is that of mere critics and advisers, and as critics and advisers, it will be presumptuous on our part to go out of our way and tell you how this deficit could be reduced by the remission of those taxes and be made good. But let us, as strangers and outsiders standing outside the window of your Cabinet watching and waiting for the revelation of some arcana that pass within, say a word or two to your Council,—and have we not said and have we not repeated that there are various heads from which retrenchment is possible and retrenchment should be made? Honourable Members

on this side of the House have pointed out that while payment of war debts is mere a contingency, you have made provision for it, the contingency of receiving reparation has been ignored, but I let go that contingency. We have set apart 6.88 crores of rupees for reduction and avoidance of debt. This is a large amount and if you are to make in this year of distress and depreciation that is pervading the land a similar cut, as you did last year, you will get the necessary money for the purpose of balancing the Budget. That is, after all, not a compulsory charge, but a charge incurred on account of the vote of this House a few years back.

Then, Sir, I feel that we have other sources of possible income. I do not know the secrets of the Government of India, and, therefore, I can only indicate in a very rough and general way the possibilities of our receiving windfalls within the next financial year. Let me categorise them. The question of imperial contribution to the Army expenditure of India has been looked into and has been the subject of decision by the Tribunal that have submitted their report. The question about the capitation charges has also been decided one way or the other by the Tribunal, and then we have for a very long time urged for the reduction of the composition of the Army and the Honourable the Finance Member knows the views of Members on this side of the House. In all these heads we stand to gain a large sum of money, if the case which the Government of India submitted for the arbitrament of the Tribunal and of the Home Government is successful. If it is not successful, we have in the last resort the amount of 6.88 crores of rupees to fall back upon for the purpose of balancing the Budget. Sir, we are not financiers, we are not experts, we are laymen, and we are only asking the Honourable the Finance Member to do the best he can in the circumstances pressing upon him the growing necessity of making good his promise upon which he secured the certification and constitutional passage of the Finance Bill, and what we are now asking this House is to reiterate the view that it has expressed during the last Budget discussion that, so far as the income-tax is concerned, it is a charge which has become unbearable on account of the added distressed condition of the country this year. My friend, Sir Cowasji Jehangir, has voiced what was bad last year. It is worse this year, and, I submit, it would be worse still if you saddle this heavy charge upon the trade and industry of the country. These, Sir, are the cumulative reasons for supporting the motion of my Honourable friend.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, I had no desire to participate in the debate but for the energetic sallies of my Honourable friend which still continue to be a great source of inspiration to me. I am afraid, my Honourable friend was a little too enthusiastic over this discussion, for while he was charging the sister party with lukewarmness, I do not find even half-a-dozen Members sitting in those Benches behind him to support him in the present motion. Mr. Clow temporarily reinforced his ranks and very properly so, being in charge of the Labour Department which should justly be in sympathy with the small wage-earner.

Now, Sir, my Honourable friend, Sir Hari Singh Gour, entirely misunderstood the attitude of my Honourable friend, Mr. Maswood Ahmad, and my friend, Sir Cowasji Jehangir, because what Mr. Maswood Ahmad

[Mr. K. C. Neogy.]

complained, I take it, was that here while we are under a limitation as to time while discussing the Demands for Grants, we are unnecessarily occupying the attention of this House in discussing a matter which could more appropriately and more effectively be raised by way of amendment of the Finance Bill, itself, and I can tell my Honourable friend that any reasonable man would sympathise with this point of view. My Honourable friend said that even if we succeeded in cutting down the income-tax rates, remember what had happened in the past. The Governor General came down with his extraordinary powers of certification and restored the amounts which we disallowed to the Finance Member. Now, Sir, are we in a better position today? If we carry this cut, what will be the effect of it? We carry a mere token cut of Rs. 100 to be deducted from this Budget. The Honourable Member in charge could very easily do without Rs. 100 out of this Budget. He need not even give an explanation to this House as to why he ignored this vote of the House

Mr. Gaya Prasad Singh: Is it not a censure motion?

Mr. K. C. Neogy: My Honourable friend, Mr. Gaya Prasad Singh, knows the value the Government attach to these so-called censure motions. My Honourable friend, while making his speech, was labouring under a misapprehension that if we allowed this head of expenditure to go unchallenged, we would be precluded from raising a debate when the Finance Bill came on with reference to the Schedule of income-tax.

Sir Hari Singh Gour: I said nothing of the kind.

Mr. K. C. Neogy: At least it would be improper on that occasion to raise this issue, for we would be met with the argument that "You allowed this head to go unchallenged": those are his exact words as far as I remember: "When you allowed the head under the 'Income-tax' to go unchallenged, you should not bring forward a specific proposal for reducing the taxation rates". That is more or less what he conveyed. Here we are voting the expenditure that is wanted for the keeping up of this particular Department. I could have well understood my Honourable friend if, instead of bringing forward a token cut, he could have taken the trouble of calculating as to what exact amount the Government could save if they were to give effect to these ideas, namely, what extra establishment could be cut down which would be necessary if the present rates of income-tax were to be maintained: that is to say, the additional establishment for which money was obtained on the last occasion in connection with the lowering of the minimum taxable income

An Honourable Member: Several lakhs.

Mr. K. C. Neogy: and, if moreover, the surtax were to be removed, what economies Government could effect in their own establishment. I could have well understood my Honourable friend if he were to bring up a motion like that asking for a specific reduction of an amount without which the Government would not be able either to maintain their surtax or a reduction of the taxable limit. (Interruption.) Why did my Honourable friend not seek a reduction of that specific amount?

Bhai Parma Nand (Ambala Division: Non-Muhammadan): Are you opposing the motion?

Mr. K. C. Neogy: Not at all. I am afraid, my Honourable friend, Bhai Parma Nand, who is so very clear in these matters, is getting as confused as his Leader, because, no one, who has spoken from these Benches, has ever said that they are opposed to this motion. It is a question merely as to whether this procedure should be followed in order to get what you want, or whether there was a better procedure available for this House when this particular matter could be debated with greater effect. I do not want to go into the merits of this question. My sole desire was to point out that the Honourable the Leader of the other Party did a good deal of injustice to Sir Cowasji Jehangir and my Honourable friend, Mr. Maswood Ahmad, by misinterpreting their intention. They never said that they were opposed to this motion. As a matter of fact, when the division comes, if it does come at all, perhaps my Honourable friend will find a larger number of Members of the Independent Party going into the lobby with him than Members of his own Party.

Mr. Goswami M. R. Puri (Central Provinces: Landholders): Sir, I have not got much to say. I rise to support the amendment. Much has already been said on this subject and I need hardly say anything more; but, on behalf of the Party to which I have the honour to belong, the Centre Party, I wish to make it clear that we are of the same opinion as the Nationalist Party. The pinch which the poor tax-payer feels is practically well-known to each and every Member of this Honourable House. The present financial crisis, through which the whole of India is passing, is such that to tax a poor man who gets Rs. 83 or Rs. 84 a month is nothing but a most unjust thing during the present depression. If the purse of the Government is so bad, they had no reason to restore five per cent. of the cut at the cost of the poor tax-payer. I do not want to go still deeper into the case as it has been sufficiently discussed; but on one point, I would like to make a few remarks,—regarding the pressing of this motion to a vote. The Leader of the Nationalist Party has urged that the motion should be put to the vote, while some Members from the Independent Party do not agree with him. According to my humble suggestion, I would tell my Honourable friends that during the financial discussion we will get ample opportunity to discuss the income-tax policy of the Government and he can similarly attack the policy of the Government. So it does not mean that by placing our views this time, he will be deprived of the opportunity that time. I think it will be fair and just for each and every elected Member to support the cause of the poor tax-payer who has been burdened with heavy taxation. With these remarks, I support the cut.

Mr. Gaya Prasad Singh: Sir, it is customary in this House for some Members to preface their speeches by saying that they had no intention of participating in the debate: at least my Honourable friend, Mr. Neogy, started by making that statement. But he went out of his way, and instead of speaking on the merits of this motion, indulged in a fling at some Members of my Party and its Leader. I am holding no brief for my Party or its Leader—they are quite capable of taking care of themselves; but I must remind the House that it was unnecessary on his part to refer to Party matters, or to say that he has gone away from one Party to another. We know of course the proverb which says that the zeal of a convert is proverbial (Laughter), but I do not know why he was so disgruntled with this Party

Mr. K. C. Neogy: On a point of personal explanation. As the Honourable Member has mentioned this question of my resignation from the other Party, I want to tell the House that I did it at the instance of my Honourable friend who himself suggested it long before the suggestion emanated from others. (Laughter.)

Mr. Gaya Prasad Singh: Assuming that, I am glad that I have been able to give a follower to my Honourable friend, Sir Abdur Rahim, and I think I deserve the thanks of the Independent Party for having made this present. My Honourable friend loses his temper very soon, and his tongue is often poisoned with abusive epithets. He took exception to this censure motion, because it seeks to reduce the demand only by Rs. 100. My Honourable friend has been in the House since 1921 and he ought to be in a position to understand that a censure motion, even of a hundred rupees, is a censure motion on the Government which they are not in a position to justify. With regard to that, my Honourable friend probably does not see the papers which are sent to him. If he had done so, he would have noticed that there was a motion standing in the name of his own Leader, Sir Abdur Rahim, and it runs like this:

"That the demand under the head 'Foreign and Political Department' (pages 141-142), be reduced by Rs. 100 (*To discuss the questions of retrenchment of expenditure controlled by the Department, and of Indianisation*)."

Is this not a censure motion?

(Interruption.) I have been listening to my friend, Mr. Neogy, with patience, and I hope he will do me the courtesy of not interrupting me when I am making a few remarks.

Mr. K. C. Neogy: But do not make silly remarks.

Mr. Gaya Prasad Singh: My Honourable friend says: "Do not make silly remarks". He cannot cease to hurl abusive epithets. But if my Honourable friend had the gift of seeing himself as others see him, he would have commanded greater respect. In this case the motion was intended merely to be a motion asking the Government to put off the surcharge and to restore the old exemption of taxable income, and my Honourable friend, Mr. Reddi, sought to do it by means of the censure motion which is quite in order as a Parliamentary practice. It was not the duty of my Honourable friend, Mr. Neogy, to have bestowed his thought or wasted his powder and shot over this little matter of procedure. He should have gone into the merits of the case, and shown whether this motion was justified in itself or not. I think that this removal of surcharge and restoration of the old exemption of taxable minimum is a very great necessity at the present time of dire distress, and Government should have first considered this question before restoring half of the cut to their own services. My Honourable friend, Sir Cowasji Jehangir, for whom I have very high respect, suggested that this motion should have stood over till the question of military expenditure and other items had been looked into carefully. If I am mistaken in interpreting his speech in that light, I am quite open to correction. But if that was his intention, I must say that I was very much amazed at this attitude on his part. We have been pressing upon the Government, year in and year out, the necessity of making substantial reduction in the army expenditure. Speaking at random, I believe they have reduced the army expenditure by two or three crores which is a very paltry sum, it is a mere flash in the pan, and it is not at all enough to meet the necessities of the situation.

Then, again, Sir, there is the question of retrenchment in civil expenditure. My friend, Sir Abdur Rahim, who presided so ably and so worthily over the General Purposes Retrenchment Committee, and for whose work I have high admiration, made certain suggestions, all of which have not been carried into effect, and I shall wait to see if my Honourable friend, Sir Abdur Rahim, or his Committee is satisfied with the treatment which Government have given to the recommendations. Then, again, there is the question of *Lee loot*, and we have been pressing, year in and year out, that this *Lee loot* should be abolished. Then, there is the top-heavy administration in this country which is a crying scandal and which ought to have been remedied. All these are questions which we have been bringing forward in this House for years, and I am amazed and amused that my friend, Sir Cowasji Jehangir, should have said that we should wait till the fate of the motions, of which he and some other Members have given notice, has been known. I think, Sir, that the restoration of the taxable minimum is a crying necessity as it greatly affects the poorer classes, and it should be done as soon as possible. My friend, the Finance Member, can get money from all these and other sources. We are not taken into the confidence of the Budget secrets, and so we are not in a position to offer any very effective or constructive criticisms on those points till we are given all the facilities which are open to my friend, the Finance Member. With these few observations, Sir, I support this motion.

(At this stage several Honourable Members rose to speak.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Chair does not want to deprive any Honourable Member of taking part in this debate, especially the Leaders of Parties, but the Chair would request them just to remember the arrangement that the House came to this morning. According to that arrangement, this debate ought to conclude at 5, and the Chair would, therefore, like to suggest to Front Benchers to intervene a little bit earlier in the debate if they want to have their say.

Sir Abdur Rahim: Sir, I shall be as brief as possible. I simply want to define the position of my Party regarding this motion. I do not wish to take part in any of the discussions that have taken place of a Party character, but what I wish to say is this, there has been never any occasion when we said that we do not want that the rate of taxation should be reduced. We made this absolutely clear during the discussion on the General Budget. All that was suggested on this occasion was that we should be in a much better position to carry out our purpose if we had discussed the military budget and the other motions before the House for reducing expenditure in other Departments as well like the Foreign and Political Department and the other Civil Departments. All that was suggested by Sir Cowasji Jehangir,—and I think that was a perfectly reasonable suggestion,—perhaps it was misunderstood because of the way it was put,—all that was said was that if we had a proper picture of the extent of the justifiable expenditure under the military head and the political and other ordinary civil heads, then we would be in a better position to drive home our case to the Government. So far as our Party is concerned, we are absolutely at one with the Nationalist Party that the surcharge and the lower limit of taxation should be removed as soon as possible. (Applause from the Nationalist Benches.) There is no doubt about that. I merely wanted to intervene to make our position clear.

The Honourable Sir George Schuster: Sir, I am afraid that I cannot class myself with the majority of the Members of this House who, when they rose, said that they had no intention to take part in the debate; but there have had been moments in its course when I had begun to cherish some feeling of hope that my intervention might be unnecessary or at least that I might be crowded out. But, Sir, you have given me sufficient time, I hope, to deal with the matter. I do not think that it will be appropriate for me to say much on the point that has arisen as to whether this motion can be appropriately taken at this early stage, but I would like to make just one point on that matter. Speaking as one who is always very anxious that the time available for the discussion of the Budget should be used in such a way that we on this side may really get at the feelings of the representatives of the public on the various issues that arise, I do feel that it is a matter of some regret that the time available for the discussion of grants should be taken up with an issue which really can only be appropriately discussed in connection with the Finance Bill. Sir, there is some logic in the procedure which this House follows in that the Finance Bill is taken at the last stage after the various stages of the budgetary discussion. It surely is reasonable to say that it is only after the House has had an opportunity of reviewing all the proposals for expenditure that it can properly express an opinion as to what provision should be made for supply, and I take it, Sir, that that is the reason why it is the custom that the Finance Bill should be taken last in the proceedings. I therefore, would venture to put it to Honourable Members that until they have had that discussion, unless at least they enter into these proceedings with minds already made up, it must be difficult for them to pronounce a verdict and feel sure that they have pronounced it on the basis of a knowledge of all the relevant factors,—it must be difficult for them to pronounce a verdict as to whether, in asking the House to continue the provisions for levying income-tax on low incomes, we are asking for more than is right to ask. That, Sir, is my own feeling in the matter, and I commend the ideas which underlie that to the attention of Honourable Members opposite.

Now, on the merits of this case, I think the arguments may be classified under three heads, or rather the points that I have to deal with may be classified under three heads. In the first place, the proposal has been attacked on grounds of abstract justice;—secondly, it has been attacked on the ground that it is a bad tax, that is another point, and in the third place, I have been told that we can well afford to do without it, and that, that being the case, I ought to redeem what has been described as my promise to abolish it as from the 31st of March this year. The last point is perhaps the most important one from my point of view, and I would like to deal with it first.

Sir, the speakers, who have argued that we can afford to do without this tax, have most of them argued on the assumption that the emergency, for dealing with which it was originally imposed, has passed. Now, I do not want to take a pessimistic view of the situation or to spread feelings of despondency, but I would like to emphasise, with all the force that I can command, the fact that the emergency has not yet passed. I would remind the House of an event which has just taken place over the week end, which illustrates the fundamental uncertainty of the present position.

Mr. S. C. Mitra: Has this emergency passed for the Services?

The Honourable Sir George Schuster: I will deal with that later. I would remind the House of an event which has taken place over the week end, as I have just said, which illustrates the fundamental uncertainty of the present position. We are as yet without any accurate knowledge of exactly what has happened in the United States, but it is quite clear that a first class crisis has developed there and that may have very great effects on the world economy, and perhaps indirectly in some ways on our Indian position. At least it is a sign that we are by no means in calm water yet, that the "cataclysmic instability", as I described it last year, still remains, and, in such circumstances, we must be very careful not to weaken our position. In that connection also I want to make this point. The real issue, I think, before the world today in all matters concerning public finance, the real question which those, who hold positions of responsibility as Finance Member or Finance Minister in any country, have to put to themselves is, is it right, is it in the best interests of the country to pursue a policy of sound finance, or is it better to yield to sentimental appeals, to relax measures, to do without balanced Budget, to meet expenditure by borrowing, to make grants to people who are in necessitous circumstances, to intervene to help particular industries to carry surplus stocks, to take measures of that kind—there are many measures which are always being pressed upon Governments in these times—is it better to take those measures, or to set one's teeth and say, we will be old-fashioned and we will follow the principles of sound finance, which mean that a country shall meet its expenditure each year by revenue and not by borrowing? It is very dangerous to prophesy, but I venture to think, as we look round the world today, it is becoming more and more clear that those countries which have observed, in spite of all difficulties, the principles of sound finance are coming to the top. They have very great difficulties of their own, they have to submit to much hardship and suffering in order to follow that course, but countries like England and, I think, we may class with England India, who have deliberately tried to observe sound finance, are in these unstable times a source of security to the world, almost an anchor to the rest of the world. I would invite Honourable Members, who are likely to take a contrary view, to study very carefully what has been happening in a great country like the United States and what is likely to happen there in the future. I venture to think that if any Honourable Member were to travel in the United States today and see the amount of misery and actual starvation which even in that rich country is now in evidence in practically every important industrial centre, he would say: "Let us continue on the path that we have chosen, let us not relax our efforts before the time, when it is justifiable to do so, has come. And, in the long run, in spite of our having to go short a bit we shall benefit from it." Sir, I have, as one, who carries responsibility, often had moments of doubt in my own mind as to which is the better course, but the longer we go on through the present difficult times, the stronger grows my conviction that the only thing which those, who carry responsibility, in a country like this can do is to stick out for the principles of sound finance, and I am absolutely certain that in the long run every one will say that that was the right course to take. Well, Sir, perhaps it may be thought that I have rather over-stressed the importance of this particular measure, but this is an essential part,—perhaps a minor part, but still an essential part—of the whole framework which we set up at the end of 1931, and, if we were to say that we can now afford to dispense with this particular measure, it would undoubtedly start a process of

[Sir George Schuster.]

weakening in our whole structure. I trust the House, when they come to consider the Finance Bill, will weigh very carefully what I have said on this matter. It has been suggested that we can easily make good the gap that will be created by reducing the provision for reduction and avoidance of debt. It is quite true that when we were in the midst of the emergency in 1931 having allowed six months to go of that year with inadequate taxation so that we could not entirely recover the lost position, we, therefore, thought it justifiable to face a situation in which we should be unable to make full provision according to the existing convention for the reduction and avoidance of debt. But because we were forced into that course in the past, there is really all the greater reason for not being forced into it again, because in fact we ought to make up the deficiency that was then created. I would remind the House that in the year preceding that we were quite unable to set aside anything for the reduction and avoidance of debt and had a heavy deficit. We have got to make that good, and if we start out at the beginning of the year and say we are not going to have this provision of safety, we should be getting into a very weak position. In uncertain times like the present when, as I have myself stated dealing with the Budget, all our estimates must be regarded as uncertain and unreliable, it is absolutely necessary to have a marginal provision of this kind, and, if the House thinks that we are really doing too much in this matter, I would ask them to consider one particular factor in our position and that is this. I do not want to over-emphasise the factors of weakness, but there is one point in our position which must be taken into account and one which does not actually appear in our Budget, and that is as regards the Railways. We are in fact crediting to ourselves in the Budget the full interest due on the whole of the advances which the Government have made to the Railways. But yet Honourable Members know quite well that, if they make full provision for depreciation allowance, the Railways cannot pay that full interest, and, in fact, in the past year we shall have taken from the Railways more actually than they have earned, supplemented by the unexpended portion of the provision for depreciation.

Sir Cowasji Jehangir: I would like my Honourable friend to give the figures of the amount which he credited to general revenues.

The Honourable Sir George Schuster: I am not quite sure of the exact question which my Honourable friend is asking me, but if he will put the point to me afterwards, I will give him the information. That, Sir, is a point which must be borne in mind. Then, the point was also made that we have made provision for our full war debt liability next year and that that is unnecessary. I thought,—least I hoped—that I was able to convince the House when that matter came up before, that that was not an optional liability, but an actual liability for which we must make provision. If of course we were to have a windfall under that head, and we find that we can get out of that war debt liability, then we may feel that we have a margin available; but I would put this to the House that we shall not be in a position to feel that we have any margin available until we have seen how the year progresses. As I have already pointed out, the uncertainty of the whole position seems to us to make necessary to start the year with as wide a margin as possible. Then, Sir, on the point of the abstract

justice, I wish to make it clear to the House that I fully sympathise with the views that have been expressed on the other side and I can assure my Honourable friend, the Deputy Leader of the Nationalist Party, that I have listened to all these arguments and in fact I have considered most of them myself in connection with this matter; but I would ask the House to consider whether the case against this tax has not really been somewhat overstated. After all, it is a very small levy which represents only two per cent. Looking back to the past history of 1919, when prices were very high, that was the time when the limit of taxation was raised from Rs. 1,000 to Rs. 2,000, but now prices have declined to something very much lower than pre-war levels and we have only brought the low limit down to what it was prior to 1919. At one time, I would remind Honourable Members, the low limit was actually Rs. 500. I do not want to suggest that I am defending the tax as one which is in itself absolutely desirable. No tax is really desirable and this particular tax is probably less desirable than many others. But when we are faced with a necessity, we have to consider what is possible without creating an intolerable burden. I would put that point to the House. We are back again in the sort of conditions which existed when the low limit was the same as it is now and there is some justification for saying that it is the people with incomes at about that level who have really benefited most from the general fall in the prices of foodstuffs. I would also remind the House that in the case of the agriculturist it does not matter how low his income is. He has to meet the direct burden of land revenue. In this case many speakers have spoken as though they were speaking on behalf of the millions of India. My Honourable friend, the Raja Bahadur, invited me to go down into the villages of India and see the discontent which is caused by taxation of this kind.

Raja Bahadur G. Krishnamachariar: I was referring to the small trader in the villages.

The Honourable Sir George Schuster: As a matter of fact, I do find occasion to go about the country a good deal when business does not keep me. I do go a good deal in the villages in a radius of about 40 miles from here, and I do not find in those villages very many people who, I think, can be liable to income-tax on incomes of a thousand rupees. One has only to consider the figures to realise what the position is. On the very highest estimate, there are about 350 thousand assesseees who pay income-tax on income between Rs. 1,000 and Rs. 2,000. 350 thousand assesseees out of a total population of 350 millions—one in every thousand of the population. I wish, again, to say that I am not defending this tax as in all respects desirable. I am only asking Honourable Members to consider this subject fairly, impartially and dispassionately on its merits. A good deal was said about the promises which I had made and a certain passage from my speech in Simla in September, 1931, was quoted, speaking for myself anyhow, *ad nauseam*. I am perfectly ready to admit that in the last sentence of that particular paragraph I was rash enough to venture to prophesy and, having gained a further two years experience as Finance Member in this country, I may say that I am never going to prophesy again. I shall never go further than expressing hopes and one may express hopes without being made liable to charges of misrepresentation.

Mr. Lalchand Navalrai: I hope you don't retract your promise.

The Honourable Sir George Schuster: I never went anywhere near making a promise in this matter. I said and I qualified it by saying that it was rash to prophesy, but I said it seemed safe, as safe as one could be in making forecasts of that kind, to say that there would be no necessity to continue these surcharges after March 31, 1933. We have all been mistaken in our appreciation of the present crisis and it is quite clear on what basis I expressed that hope. The basis was that we should end up the current year with a surplus of about 5½ crores and Honourable Members know that we are only ending up with a surplus of just over two crores and that that includes a crore and a half representing the exceptional receipts from the abolition of the salt credit system. Therefore, I think the House will realise what our position is. I think I have kept the House long enough on this matter. I trust that the House may think it is premature to vote upon it at this stage and in the interval between now and the time when we have to deal with the Finance Bill, I trust we shall have much illuminating discussion on the general position and that Honourable Members will give due weight to the points which I have made in my speech today.

Mr. T. N. Ramakrishna Reddi: I shall not detain the House for more than five minutes. In the first place, I thank all the Members of the House from all sides, except my Honourable friend, the Finance Member, for supporting my cut. They have expressed in unequivocal terms the necessity for restoring that taxable minimum and they have also very strongly felt the necessity for removing this surcharge. Having done that, I have only to answer two or three criticisms that were levelled against this motion from the Members of the Independent Party.

Sir, my Honourable friend, Mr. Maswood Ahmad, said that this was not the time to press this cut to a division as the House was somewhat depleted of its numbers and that it was better to press it at the time of the Finance Bill. Sir, here I must make one observation. It is incumbent on Members representing their constituencies to do all in their power to alleviate their grievances. That is, Sir, why they send us here, and that is why they expect us to do our duty. If, therefore, we fail in the discharge of our duties, it is we and we alone who are to be blamed, and so I have got every right to press my cut for the consideration of the House even though there are few Members present; and, I think, in fact I shall be doing service to the country by exposing the conduct of those Members who do not attend and fight for the redress of the grievances of their constituencies, especially when such an important cut is being debated. Sir, this cut affects so many poor people and if Honourable Members are there, who do not take any interest in this, I really wonder what they are more interested in! So, Sir, with the full knowledge that the Members are expected to do their duty, I am pressing this cut.

Now, Sir, coming to the criticism of my Honourable friend, Sir Cowasji Jehangir, he said that this was not a logical cut. I was surprised that he should have said so, taking into account the interest that he takes for restoring the old taxable minimum and, at the same time, in the question of the removal of the surcharge; and I do not understand why he should

say that this is not a logical cut. Sir, the Honourable the Finance Member himself felt the necessity of removing the surcharges and he has singled out that particular piece of tax for removal at the earliest possible date, and because he has not done so, I have brought this cut. I do not see, therefore, any reason why it should not be considered a logical cut.

Now, coming to the criticism of my learned friend, Mr. Neogy, for whom I have got great regard, I am at a loss to understand why he went against the view of the Honourable the Leader of the Nationalist Party and said that this was not the proper time to move this cut. Sir, I am the more surprised that he should do it, because he has always espoused the cause of the people and he always fought the Government wherever and whenever he found that Government were wrong. It is really surprising to me that he should oppose this cut. He said that we could move it when the Finance Bill came. Sir, we have to fight the Government on all sides. I am a believer in fighting on all fronts (Hear, hear), and it is no good to fight on only one front. When you have got a constitutional weapon to fight with, you must take advantage of it and then fight steadily. When the constitution permits the moving of a cut by way of a vote of censure against the Government, we have got every right to take advantage of that and I am within my rights to move this cut. I shall now say only one word with regard to the reply of the Honourable the Finance Member. Sir, my Honourable friend said that he promised to remove this surcharge as soon as possible and at the same time he promised that he would, if necessary, reduce the provision for the reduction or avoidance of debt, but he says that he finds the situation easy and so he does not find any necessity to reduce the provision for the reduction or avoidance of debt; and he also said in so many words that he said so when there was an emergency existing, that his words should not be taken very seriously. Sir, it is surprising that the Honourable Member does not want us to take him by his word. He has clearly said before, that if the necessity arises, it is probable that a certain thing will be done. I am not asking him to disturb his Budget equilibrium now at this moment and cut down the expenses of the Civil and Military Departments. I am only asking him to redeem his promise which he made when he introduced this Budget and said that he would be prepared to reduce Rs. 2,47 lakhs from the provision for the reduction or avoidance of debt, if necessity arose. Now, it is a most important necessity and it is a necessity which he himself admits, namely, giving relief to the taxpayer by way of removing these surcharges. Now, if an emergency does exist, how is it that he can restore the cuts in part? That shows that there is some ease in the situation; and when that is so, we are entitled to ask him to make a reduction in the provision for the reduction or avoidance of debt and give this much-needed relief to the income-tax payers. Sir, with these words, I press my cut motion to a division.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The original question was:

"That a sum not exceeding Rs. 81,24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Taxes on Income'."

Since which the following cut motion has been moved:

"That the demand under the head 'Taxes on Income' be reduced by Rs. 100."

[Mr. Deputy President.]

The question that I have now to put is that that cut motion be adopted.

The Assembly divided:

AYES—33.

Abdur Rahim, Sir.
Biswas, Mr. C. C.
Chinoy, Mr. Rahimtoola M.
Das, Mr. B.
Dutt, Mr. Amar Nath.
Gour, Sir Hari Singh.
Ismail Ali Khan, Kunwar Hajee.
Jadhav, Mr. B. V.
Jehangir, Sir Cowasji.
Jog, Mr. S. G.
Krishnamachariar, Raja Bahadur G.
Lalchand Navalrai, Mr.
Maswood Ahmad, Mr. M.
Misra, Mr. B. N.
Mitra, Mr. S. C.
Mody, Mr. H. P.
Mudaliar, Diwan Bahadur A. Ramaswami.

Murtuza Saheb Bahadur, Maulvi Sayyid.
Neogy, Mr. K. C.
Parma Nand, Bhai.
Puri, Mr. Goswami M. R.
Rajah, Rao Bahadur M. C.
Ranga Iyer, Mr. C. S.
Reddi, Mr. T. N. Ramakrishna.
Roy, Rai Bahadur Sukhraj.
Sarda, Diwan Bahadur Harbilas.
Sen, Pandit Satyendra Nath.
Singh, Mr. Gaya Prasad.
Sitaramaraju, Mr. B.
Thampan, Mr. K. P.
Uppi Saheb Bahadur, Mr.
Wajihuddin, Khan Bahadur Haji.
Yamin Khan, Mr. Muhammad.

NOES—41.

Abdul Hye, Khan Bahadur Abul Hasnat Muhammad.
Acott, Mr. A. S. V.
Allah Baksh Khan Tiwana, Khan Bahadur Malik.
Amir Hussain, Khan Bahadur Saiyid.
Bajpai, Mr. G. S.
Clow, Mr. A. G.
Dalal, Dr. R. D.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Fox, Mr. H. B.
Ghuznavi, Mr. A. H.
Grant, Mr. C. F.
Gwynne, Mr. C. W.
Haig, The Honourable Sir Harry.
Hezlett, Mr. J.
Hudson, Sir Leslie.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur Sardar.
Joshi, Mr. N. M.
Lal Chand, Hony. Captain Rao Bahadur Chaudhri.

Leach, Mr. A. G.
Mackenzie, Mr. R. T. H.
Metcalf, Mr. H. A. F.
Miller, Mr. E. S.
Mitchell, Mr. D. G.
Mitter, The Honourable Sir Brojendra.
Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Noyce, The Honourable Sir Frank.
Rafuddin Ahmad, Khan Bahadur Maulvi.
Ran, Mr. P. R.
Ryan, Sir Thomas.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Seaman, Mr. C. K.
Sher Muhammad Khan Gakhar, Captain.
Singh, Mr. Pradyumna Prashad.
Smart, Mr. W. W.
Smith, Mr. R.
Tottenham, Mr. G. R. F.
Vachha, Khan Bahadur J. B.

The motion was negatived.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 81,24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Taxes on Income'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 7th March, 1933.

LEGISLATIVE ASSEMBLY.

Tuesday, 7th March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

QUESTIONS AND ANSWERS.

REPLACEMENT OF THE SUBORDINATE ACCOUNTS SERVICE ACCOUNTANTS BY SELECTION GRADE CLERKS IN THE TELEPHONE REVENUE ACCOUNTING OFFICE, DELHI.

659. *Mr. Lalchand Navalrai (on behalf of Bhai Parma Nand): (a) Is it a fact that for the initial management of the Telephone Revenue Accounting Office, Delhi, the Government of India sanctioned an Accounts Officer and two S. A. S. qualified accountants and subsequently ordered the replacement of the S. A. S. accountants by selection grade clerks?

(b) If the reply to part (a) above be in the affirmative, will Government please state why the replacement of the accountants by selection grade clerks has not yet been made and when is it proposed to give effect to Government's modified orders?

(c) Is it a fact that the two S. A. S. accountants belong to the scale of Rs. 200 to 500 and the Accounts Officer to that of Rs. 500 to 1,000 and that if the former are replaced immediately by the selection grade clerks as ordered by Government there will be a considerable saving to the Department?

Sir Thomas Ryan: (a) Yes.

(b) The question is under examination in consultation with the Accountant-General, Posts and Telegraphs.

(c) The facts are substantially as stated by the Honourable Member.

TRANSFER OF CERTAIN HINDU INSPECTORS OF POST OFFICES OUT OF THE LUDHIANA DIVISION.

660. *Mr. Lalchand Navalrai (on behalf of Bhai Parma Nand): (a) Is it a fact that Mr. M. G. A. Swaberry, General Secretary, Indian Posts and Telegraphs Muslim Union (an unrecognized union) made a representation to the Postmaster General, Punjab, in July, 1932, regarding transfers of certain Hindu Inspectors of Post Offices, out of the then Ludhiana Division? Was any of those Inspectors transferred as a result of this representation?

(b) If the reply to part (a) above be in the affirmative, will Government please state whether the action of the Postmaster General in complying with the wishes of the unrecognized union was in order in the face of Government orders that no action should be taken on the representations received from unrecognized unions?

The Honourable Sir Frank Noyce: (a) and (b). Government have no information and they do not consider it necessary to make enquiries, as the posting of Inspectors of Post Offices is within the competence of Heads of Circles with whose discretion in this matter Government do not propose to interfere.

FINAL APPELLATE AUTHORITY IN THE MATTER OF PUNISHMENTS, APPOINTMENTS, ETC., OF THE POSTAL EMPLOYEES.

661. ***Mr. Lalchand Navalrai** (on behalf of Bhai Parma Nand): (a) Is it a fact that according to the Director General, Posts and Telegraphs, Circular No. 25, dated the 29th August, 1932, the Heads of Circles in the Posts and Telegraphs Department have been declared as final appellate authority in the matter of punishments, appointments, etc., and thus the door of appeal to the Director General, Posts and Telegraphs, and Government was entirely closed to the subordinates?

(b) If the reply to part (a) above be in the affirmative, are Government prepared to consider the advisability of modifying the orders so as to throw open to them the doors of appeal to the higher authorities?

Sir Thomas Ryan: (a) The fact is not quite as stated by the Honourable Member. In exercise of the power conferred by the Civil Services (Classification, Control and Appeal) Rules, the Governor General in Council has made certain rules to provide for the discipline and rights of appeal of members of the subordinate services under his administrative control. These rules are applicable to the members of the subordinate services not only in the Posts and Telegraphs Department but also to those in other Departments of Central Government. Under these rules certain penalties may be enforced on the staff of these services by authorities specified in the schedule to the rules: but no member of the staff may be removed or dismissed by an authority subordinate to that by which he was appointed. The staff have also the right of appeal to an authority immediately superior to the authority enforcing the penalty.

A copy of the Director-General's Circular No. 25, dated the 29th August, 1932, containing the rules and schedule thereto, so far as relates to the Postal and Telegraph Department, has been placed in the Library of the House.

(b) The Honourable Member is referred to the reply given to part (iii) of Mr. Maswood Ahmad's starred question No. 1441 in this House on the 28th November, 1932.

RECRUITMENT OF HEAD CLERKS TO SUPERINTENDENTS OF POST OFFICES FROM A COMMUNITY OTHER THAN THE ONE TO WHICH THE SUPERINTENDENT BELONGS IN THE LAHORE AND JHELUM DIVISIONS.

662. ***Mr. Lalchand Navalrai** (on behalf of Bhai Parma Nand): Is it a fact that according to the long standing practice based on the local orders of Mr. Booth, late Postmaster General, Punjab (now Senior Deputy Director General), and several other Postmasters General of the Punjab Circle, Head Clerks to the Superintendents of Post Offices in that circle should be of a community other than that of the Divisional Superintendent, and is it also a fact that this practice is being actually observed in all the Postal Divisions excepting Lahore and Jhelum Divisions? If so,

will Government be pleased to state why this practice is departed from in the case of these two particular Divisions where both the Superintendents and their Head Clerks are Muslims?

The Honourable Sir Frank Noyce: The Honourable Member is referred to the reply given to Mr. Maswood Ahmad's starred question No. 1682, in this House on the 14th December, 1932; similar action will be taken in regard to this question.

TRAVELLING ALLOWANCE DRAWN BY MR. RAMZAN ALI, DEPUTY POSTMASTER GENERAL, PUNJAB AND NORTH-WEST FRONTIER CIRCLE, FOR TOURING CERTAIN PLACES.

663. ***Mr. Lalchand Navalrai** (on behalf of Bhai Parma Nand): Will Government please state:

- (a) What was the expenditure incurred on account of travelling allowance drawn by Mr. Ramzan Ali, Deputy Postmaster General, Punjab and North-West Frontier Circle, and his tour establishment in connection with his tours to hill stations, viz., Murree, Abbottabad, Dalhousie, Srinagar, Gulmarg during May, June, July and August, 1932, respectively?
- (b) Have Government laid down any ruling under which it is necessary for such an officer to be at the hill station every month during the summer, specially when such officers are allowed to avail themselves of one month's recess at a hill station during summer which in this particular case was enjoyed by this officer in Simla in September, 1932?
- (c) Is it a fact that this officer did not visit Murree, Abbottabad and Srinagar in one spell, but proceeded to each of these places after returning to headquarters?
- (d) Is it also a fact that this officer visited Jhelum and Peshawar thrice and Ludhiana, Gujrat and Delhi twice during the period from 1st January, 1932, to 15th February, 1933? If so, why?
- (e) Will Government please state what public interest was served in undertaking such tours?
- (f) What check is exercised by the Head of the Circle on the movements of officers specially when all avenues of economy are being explored by Government in these days of financial stringency?

The Honourable Sir Frank Noyce: On the points raised by the Honourable Member Government have no information. The matter is within the competence of the Postmaster-General, Punjab and North-West Frontier, to whom a copy of the question and reply has been sent.

CANDIDATES FOR CLERICAL APPOINTMENTS APPROVED BY THE POSTMASTER GENERAL, PUNJAB AND NORTH-WEST FRONTIER CIRCLE.

664. ***Mr. Lalchand Navalrai** (on behalf of Bhai Parma Nand): Will Government please state how many outside candidates for clerical appointments have been approved by the present Postmaster General, Punjab and North-West Frontier Circle, since he has taken charge of that Circle and how many of them are Hindus, Muslims, Sikhs, Indian Christians,

Anglo-Indians and Depressed Classes, and whether these candidates have been recruited as a result of the competitive examinations or examined individually and accepted? In the latter case, will Government state whether the method of recruitment is not in contravention of the Manual Rules and standing orders of Government?

The Honourable Sir Frank Noyce: Government have no information but have no reason to suppose that the recruitment referred to has been in contravention of rules and orders on the subject which do not prohibit the individual examination of candidates.

POSTING OF THE SUPERINTENDENTS OF POST OFFICES IN THE PUNJAB AND NORTH-WEST FRONTIER CIRCLE TO THEIR HOME DISTRICTS.

665. ***Mr. Lalchand Navalrai** (on behalf of Bhai Parma Nand): Will Government please state the names of the Superintendents of Post Offices in the Punjab and North-West Frontier Circle, who are at present posted in their home districts, mentioning also the names of the Postal Divisions to which they are attached as also the reasons for such postings? Are Government aware that such officers have local interest in their home districts? Are Government prepared to put a stop to this practice and transfer these officers to Divisions other than those of which they are residents?

The Honourable Sir Frank Noyce: Government have no information, nor do they consider it necessary to call for it as they are of opinion that the fact that a Superintendent of Post Offices may have local interests in his Division is not in itself any reason for removing him from it.

Mr. Lalchand Navalrai: May I ask, why is the Honourable Member not going to call for the information?

The Honourable Sir Frank Noyce: For the reason I have given, Sir, that Government do not consider that the fact that a Superintendent of Post Offices may have a local interest in his Division is any reason for removing him from it.

APPEALS PREFERRED TO THE POSTMASTER GENERAL, PUNJAB AND NORTH-WEST FRONTIER CIRCLE, BY THE HINDU AND SIKH POSTAL OFFICIALS AGAINST THE ORDERS OF THE SUPERINTENDENT OF POST OFFICES, MUZAFFARGARH DIVISION.

636. ***Bhai Parma Nand:** Will Government please state how many appeals were preferred to the Postmaster General, Punjab and North-West Frontier Circle, by the Hindu and Sikh Postal officials against the orders of the present Superintendent, Post Offices, Muzaffargarh Division, since he took over charge of that Division? If, in the majority of cases, the orders of punishment have been set aside, do Government propose to take any action against the Superintendent?

Sir Thomas Ryan: The matter is under reference to the Postmaster General and a reply will be placed on the table in due course.

LINE INSPECTORS, TELEGRAPHS, IN THE DELHI TELEGRAPH ENGINEERING DIVISION.

667. ***Bhai Parma Nand:** Is it a fact that in the Delhi Telegraph Engineering Division both the posts of Line Inspectors, Telegraphs, sanctioned for the Division are held by Muslims? If so, are Government prepared to take immediate steps to replace one of them by a non-Muslim?

The Honourable Sir Frank Noyce: The reply to the first part is in the affirmative and to the second in the negative as appointments to the posts in question are not made on a communal basis.

TENURE OF APPOINTMENTS OF STENOGRAPHER CAMP CLERKS ATTACHED TO THE POSTAL CIRCLE OFFICES.

668. ***Bhai Parma Nand:** (a) With reference to the reply given on the 21st September, 1932, in the Legislative Assembly, to question No. 567 of Sardar Sant Singh by the Director General, Posts and Telegraphs, have Government considered the advisability of limiting the tenure of the posts of stenographer camp clerks attached to the Circle Office carrying additional pay of Rs. 50 and Rs. 30 *per mensem* by any particular holder to a period of three years? Are such limitations imposed by Government in the case of the posts of Sectional Head clerks in these offices? Is it a fact that the appointments of both camp clerks and Sectional Head Clerks are within the competence of the Postmaster General?

(b) Will Government please state why this rule regarding the tenure of appointment is not made applicable in the case of the stenographer camp clerks? Is it a fact that their indefinite retention as stenographer camp clerks is likely to entail extra expense to Government, in view of the fact that the special pay drawn by them counts for pension?

Sir Thomas Ryan: (a) and (b). The duties and responsibilities of head clerks in charge of sections and of stenographer camp clerks are entirely different and the considerations which led to the issue of orders for rotation of charges in respect of the former class of officials do not apply to the latter.

REVISED SPECIAL PAY FOR STENOGRAPHER CAMP CLERKS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

669. ***Bhai Parma Nand:** Is it a fact that Government have recently laid down revised special pay rates for stenographer camp clerks as shown below with the provision that the present incumbents of the posts should not be adversely affected by these orders?

Officer.	Old Rate.	New Rate.
1. Postmaster-General	Rs. 50 per mensem.	Rs. 30 per mensem.
2. Director of Telegraphs	Rs. 50 "	Rs. 30 "
3. Deputy Postmaster General	Rs. 25 "	Rs. 30 "

(b) Are Government aware that in the case of the Punjab Circle Office these orders have resulted in an increase in expenditure of Rs. 10 per mensem due to the fact that the existing camp clerks to the Postmaster General and the Director of Telegraphs are allowed to continue and thereby draw their old higher rate of special pay?

(c) If the reply to part (b) above be in the affirmative, have Government considered the advisability of replacing the present camp clerks to the Postmaster General and the Director of Telegraphs and thereby affecting a saving of about Rs. 500 a year?

Sir Thomas Ryan: (a) Yes.

(b) and (c). No increase of expenditure was involved; it was in accordance with the usual practice to protect the existing incumbents, as stated by the Honourable Member in part (a) of the question, and it was for this reason that the existing camp clerks were not replaced at once.

REMOVAL OF THE PREPONDERANCE OF MUSLIMS IN THE GUJRAT POSTAL DIVISION.

670. ***Bhai Parma Nand:** Is it a fact that the permanent Superintendent of Post Offices, Gujrat Division, all the three Inspectors of Post Offices and the Postmaster, Gujrat, under that Superintendent are all Muslims? If so, do Government propose to remove the preponderance of the officers of one community in that Division?

The Honourable Sir Frank Noyce: The Superintendent is a Muslim; as regards the three Inspectors Government have no information. Appointments to the posts in question are not made on communal considerations and Government do not propose to take the action suggested by the Honourable Member.

Mr. Lalchand Navalrai: Will the Honourable Member be pleased to say if nominations are going to be made for new recruits for the Superintendents' posts?

The Honourable Sir Frank Noyce: It is impossible to say more than that we have a surplus at present and it is unlikely that fresh recruitment will be made in the near future.

CRITERIA FOR DEFINING MUSLIMS AS A MINORITY COMMUNITY IN THE PUNJAB AND NORTH-WEST FRONTIER POSTAL CIRCLE.

671. ***Bhai Parma Nand:** (a) With reference to the reply given by the Honourable Sir Frank Noyce to part (d) of question No. 566 in the Legislative Assembly on the 21st September, 1932, will Government please state what is their criteria for defining Muslims as one of the minority communities in the Punjab and North-West Frontier Circle, where Muslims preponderate on population basis in the Punjab proper and are in an overwhelming majority in the North-West Frontier?

(b) Are Government aware that the Director General, Posts and Telegraphs, laid down in September, 1930, that every third vacancy in the clerical line should go to a member of the community which is less represented in the clerical staff of a division, office, section or unit, irrespective of the fact whether the inadequately represented member of the community is a Hindu, Muhammadan, Sikh, Indian Christian, or Anglo-Indian? If so, will Government please state whether these orders of the Director General do not conflict with the reply given by the Honourable Sir Frank Noyce referred to at (a) above?

The Honourable Sir Frank Noyce: (a) In regard to recruitment for the All-India and the Central Services it is necessary to look at the position of the various communities as a whole throughout British India. In this view the Muslims are clearly a minority community. The question of the precise application of the existing orders to locally recruited central services is at present under further consideration.

(b) As regards the first part, the fact is not as stated by the Honourable Member. The Director General's letter referred to by him, read as a whole, relates to the reservation of every third vacancy for the minority communities in accordance with the Government orders on the subject to which attention has been drawn in that letter and not for any one community as stated by the Honourable Member. The second part does not, therefore, arise.

Bhai Parma Nand: May I know if the Muslims in the Punjab and the Frontier Province are considered a minority community?

The Honourable Sir Frank Noyce: I have already answered that, Sir. I said that we have regard to recruitment throughout India as a whole and that, taken in this light, the Muslims are a minority community and are, therefore, treated as such.

Mr. Lalchand Navalrai: Do Government consider it fair that even in those territories or portions where the Muhammadans are not in a minority, they should be considered as a minority?

The Honourable Sir Harry Haig: The whole question, Sir, of how the various minority communities should be recruited for the Central Services, where recruitment is local, is at present under the consideration of the Government of India. It is a difficult problem.

Mr. Lalchand Navalrai: Might I understand that this is also under consideration of the Government that, for instance, in Sind, where the Muhammadans are in a majority and the Hindus are in a minority, the Hindus will be considered as a minority? Is that question also under consideration?

The Honourable Sir Harry Haig: I cannot say more than this that the whole question of the local recruitment for Central Services of minority communities is at present under consideration, and that may lead to a general consideration of how the problem should be dealt with in each province.

Mr. Lalchand Navalrai: May I request the Honourable Member that the question that the Hindus are in a minority in Sind and that the local appointments should be on that basis may also be kindly considered?

The Honourable Sir Harry Haig: Well, Sir, it does not necessarily arise, because so far as the Central Services and the All-India Services are concerned, we have to look at India as a whole, and it cannot be contended that in India as a whole the Hindus are in a minority.

Mr. Lalchand Navalrai: In view of the fact that there are separate Directors in certain places, for instance, in Sind and Baluchistan, and the appointments are within their gift, so far as Sind and Baluchistan are concerned, may I request that Hindus be considered as minorities for the purpose of these appointments?

The Honourable Sir Harry Haig: So far as the provincial services in the new province of Sind are concerned, that seems to me a problem that might possibly have to be considered.

Mr. S. C. Mitra: Will Government also please consider the claims of the Muslim population of Bengal who are really deprived of their proper share from the quota for the minority communities which is being usurped by the Punjab and United Provinces Muslims?

The Honourable Sir Harry Haig: I have no information of what the Honourable Member is referring to.

Diwan Bahadur A. Ramaswami Mudaliar: Does not the Honourable Member think that the problem of the services is really a problem of an adequate representation in the service of all communities and not a problem of majorities and minorities, such as arises in the case of an election?

The Honourable Sir Harry Haig: It is a question, I think, of seeing that no community is over-represented.

Mr. Gaya Prasad Singh: Is it not to the interest of the Government to frame such complicated rules that the Hindus, Muslims and Sikhs should be perpetually quarrelling with each other and thereby perpetuate the present domination of the English?

The Honourable Sir Harry Haig: I am afraid that the minority communities were very far from satisfied before the Government took up this matter.

Bhai Parma Nand: Will the Honourable Member inform us whether in All-India Departments such as the Posts and Telegraphs, the decision to be taken on the communal principle will be settled on the proportion of population in the country taken as a whole? And, if so, whether the Muslims in the Punjab and North-West Frontier Province or Sind should not stress their claims on the ground that they are a majority community in these provinces and should, therefore, have a greater proportion in the services?

The Honourable Sir Harry Haig: I am not sure that I quite follow my Honourable friend's question; but, I do not think there is anything to add to what has already been said, that the problem has to be examined for India as a whole and that it is being examined now.

TENDERS FOR MAIL CONTRACT OF THE AMRITSAR TOWN POST OFFICE.

672. ***Bhai Parma Nand:** (a) Is it a fact that tenders for mail contract of the Amritsar Town Office were called for recently by Mr. Abdul Karim, Post Master, Amritsar? If so, how many tenders were

received sealed, and were all of them opened by the Postmaster in the presence of any other official and his initial or signature taken on all the tenders opened and the total number of tenders received noted on each tender as required by departmental rules? If not, why not?

(b) Is it also a fact that Mr. Nasar Muhammad was specially favoured by the Muslim Postmaster in obtaining a tender from him after opening the other tenders of non-Muslims received in time specified in the notice calling for the tenders?

(c) Is it a fact that this matter came to the notice of the Postmaster General, Punjab, and, if so, what action was taken by him in the matter?

(d) Is it also a fact that the lowest tender of a Hindu whose reliability and status were testified to by a District Magistrate was disregarded in favour of that of Nasar Muhammad whose tender was obtained irregularly as stated in part (b) above?

(e) If the replies to the above questions are in the affirmative, are Government prepared to cancel the contract in question?

Sir Thomas Ryan: (a)–(e). Government have no information. The matter is within the competence of the Head of the Postal Circle concerned to whom a copy of the question is being sent.

RETRENCHMENT IN THE PUNJAB AND NORTH-WEST FRONTIER POSTAL CIRCLE.

673. ***Bhai Parma Nand:** (a) Is it a fact that in the retrenchment of personnel in the Postal Department, Government have laid down that the existing ratio of Hindu, Muslim, Sikh and Christian employees already in service should be strictly maintained?

(b) Is it also a fact that in the Punjab and North-West Frontier Circle 55 Hindus were retrenched instead of 51 (out of a total of 99 officials) according to the policy referred to in part (a) above?

(c) If the reply to parts (a) and (b) above be in the affirmative, will Government please state why the policy laid down for the purpose has been departed from in the Punjab and North-West Frontier Circle in the case of Hindus and whether Government are prepared to restore Hindu officials to service?

The Honourable Sir Frank Noyce: (a) Yes, subject to the exercise of a reasonable amount of discretion. In this connection the Honourable Member's attention is invited to the replies given in this House to part (a) of Shaikh Fazal Haq Piracha's starred question No. 1066 on the 9th November, 1932.

(b) Yes.

(c) The Honourable Member is referred to the reply given to part (b) of Mr. M. Maswood Ahmad's unstarred question No. 220 on the 5th December, 1932.

TRAVELLING EXPENSES OF NOMINEES OF THE THIRD ROUND TABLE CONFERENCE FOR THEIR VISITS TO DELHI.

674. ***Mr. Gaya Prasad Singh:** Is there any truth in the report that the nominees of the Third Round Table Conference, who were recently asked to come to Delhi, were called here at State expense?

The Honourable Sir Brojendra Mitter: If the reference is to the interview which His Excellency gave to certain delegates to the last Round Table Conference, the answer is that no travelling or other expenses are ordinarily granted in such cases. A claim for travelling allowance was received from one delegate and sanctioned as a special case.

AMALGAMATION OF THE POSTS OF TELEGRAPH ENGINEERING SUPERVISORS AND ELECTRICAL SUPERVISORS.

675. ***Pandit Satyendra Nath Sen:** (a) What principle is followed in transferring Telegraph officials in the Engineering Branch such as Engineering Supervisors and Electrical Supervisors?

(b) Is it a fact that there are two gazetted officers—one a D. S. in charge of the traffic branch and the other a D. A. E. E.—in charge of the Technical Branch in places like Mandalay, Nagpur, etc?

(c) Do Government propose to amalgamate the two posts?

(d) What would be the probable saving by such amalgamation?

Sir Thomas Ryan: (a) The officers referred to by the Honourable Member are liable to transfer to any part of India and Burma to meet the exigencies of the service.

(b) Yes, at Mandalay and Nagpur only.

(c) and (d). The matter is under examination.

GRANT OF PENSION TO THE ENGINE DRIVERS, MECHANICS AND MISTRIES IN THE TELEGRAPH DEPARTMENT.

676. ***Pandit Satyendra Nath Sen:** (a) Is it a fact that the Engine Drivers, Mechanics and Mistries in the Telegraph Department, though under permanent establishment and otherwise treated as non-gazetted permanent staff, are not entitled to any pension?

(b) If so, do Government propose to remove the said grievance of those employees?

Sir Thomas Ryan: (a) The fact is as stated by the Honourable Member, except as regards certain Engine Drivers whose service is pensionable.

(b) The question of making them eligible either for pensionary or for Contributory Provident Fund benefits has been under consideration, but owing to the unfavourable financial conditions it has not been pursued.

TOURING CAMPAIGN OF THE DORSETSHIRE REGIMENT IN THE DACCA DIVISION.

677. ***Pandit Satyendra Nath Sen:** (a) Is it a fact that more than 200 soldiers of the Dorsetshire Regiment with paraphernalia consisting of handsmen, mule corps, etc., have been touring different parts of the Dacca Division in Bengal for some days past?

(b) If so, what is their mission?

(c) What places have been visited by them since they had been despatched from Calcutta?

(d) Where are they being accommodated during their stay in different places?

(e) Is it a fact that in almost all places they are being entertained by Presidents of the Union Boards?

(f) If so, is it in compliance with any official or demi-official instructions issued to those Presidents?

Mr. G. R. F. Tottenham: (a) Route marches have recently been carried out by the battalion, whose headquarters are at Dacca.

(b) Such marches are part of ordinary training and are also valuable in that they encourage friendly contact between the civilian population and the military and tend to promote confidence.

(c) and (d). Such details as those asked for are not reported to Army Headquarters and I do not think they would be of sufficient general interest to justify a reference to the local military authorities under whose orders the marches have been carried out.

(e) and (f). I have no information. No orders on the subject have issued from Army Headquarters.

Mr. Gaya Prasad Singh: Was the Honourable Member really serious when he said that marching the troops through villages establishes friendly contact between the soldiers and the villagers?

Mr. G. R. F. Tottenham: That is our hope.

Pandit Satyendra Nath Sen: Do Government realise that the visitations of these troops bear very hard on the economic condition of the villagers at the present time?

Mr. G. R. F. Tottenham: The answer is in the negative.

DIFFICULTIES EXPERIENCED BY INDIAN STUDENTS IN THE UNIVERSITIES IN GREAT BRITAIN.

678. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state, with reference to the information given by the Reuter published in the *Hindustan Times* of February 21st, 1933, if they are aware that complaints have been made by Indian students in England and Scotland, particularly in the Conference called by the National Union of Students, London, with regard to the difficulties experienced by Indian students in the Universities in Great Britain?

(b) Is it a fact that the Indian medical students in England complain of difficulties of obtaining clinical experience in hospitals?

(c) Is it a fact that the General Medical Council of Great Britain now gives no consideration to the question of providing sufficient facilities to the Indian students in England?

(d) Do Government propose to bring the fact complained of by the students to the notice of the High Commissioner for India in England with a view to getting their grievances redressed?

Mr. G. S. Bajpai: (a) Yes.

(b), (c) and (d). The High Commissioner for India has been asked for a report.

Mr. Lalchand Navalrai: May I know from the Honourable Member as a piece of information that if these students have any grievances, to which authority they have to write for redress in England—the High Commissioner or some other authority?

Mr. G. S. Bajpai: Ordinarily, references of this kind are made by the students to the Students Department of the High Commissioner in London.

Mr. Gaya Prasad Singh: Is it not a fact that there is a special officer maintained in England to help the students in these cases?

Mr. G. S. Bajpai: I have already said that there is a special Education Department maintained by the High Commissioner in London.

Mr. Gaya Prasad Singh: May I know the name of the gentleman whose temporary appointment was sanctioned by the Standing Finance Committee recently or some time back?

Mr. G. S. Bajpai: I do not know that any one's appointment was sanctioned recently. Dr. Quavle has been the Principal Educational Adviser to the High Commissioner for a number of years, and the gentleman to whom my Honourable friend is referring is one Mr. Dutt who was appointed nearly three years ago.

Mr. Gaya Prasad Singh: Have the Government of India received any report from that gentleman with regard to the dissatisfaction which is said to exist among the Indian students in England?

Mr. G. S. Bajpai: The reference in the first part of this question is to a recent meeting of the Students Union. The Government of India have received no report in regard to that meeting. Annually the High Commissioner submits to the Government of India a special report of the working of his Education Department, and if my Honourable friend is interested in it, I shall place a copy in the Library of the House.

Mr. K. P. Thampan: Pending the passing of the Medical Registration Bill, will the Government direct the High Commissioner to prefer an appeal, as provided for in the General Medical Council Act, to the Privy Council and see whether the students that are not admitted to higher degrees can get any redress?

Mr. G. S. Bajpai: I am afraid that even that particular question does not arise out of this: however I am prepared to enlighten my Honourable friend. The suggestion in part (a) that the General Medical Council of Great Britain has anything whatever to do with the provision of educational facilities either for Indians or for anybody else is not correct. The real complaint to which my Honourable friend has referred in his question is about the limitation of accommodation in the various hospitals in England, and, as regards that, all that our High Commissioner can do is, according to my information, being done.

Mr. Lalchand Navalrai: I hope the sympathies of the General Medical Council have not been alienated on account of our Medical Bill?

Mr. G. S. Bajpai: I am afraid I am not in a position to speak for the General Medical Council or their sympathies.

Mr. Gaya Prasad Singh: We can do without their sympathies.

EMPLOYMENT OF SINDHIS IN THE POSTS AND TELEGRAPHS DEPARTMENT IN SIND AND BALUCHISTAN.

679. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state the total number of Sindhis (Hindus and Muhammadans) and Punjabis, respectively, in service in the Postal and Telegraph Department in Sind and Baluchistan separately?

(b) What has been the policy of Government in recruiting and retaining the Punjabi element in Sind?

(c) Are Government aware that there is more than enough number of qualified Sindhis available to fill up posts in the Postal and Telegraph Department in Sind?

(d) Will Government be pleased to state if the Department has recruited any Sindhis in Post and Telegraph Offices for service outside Sind and Baluchistan, and whether any Sindhis are in such service in the Punjab and elsewhere outside Sind at the present time? If so, what is their number and what posts do they hold?

(e) Is it a fact that there are four Superintendents (including one Assistant Director) in the Sind and Baluchistan Circle, out of whom, one is an Anglo-Indian, one a Punjabi Hindu and two Punjabi Muslims?

(f) Is it a fact that probationary Superintendents attached to the office of the Director, who acts as a leave reserve Superintendent, is also a Punjabi Muslim?

(g) Is it a fact that all the Head Clerks to the Superintendents are also Punjabis?

The Honourable Sir Frank Noyce: (a), (c), (d) and (g). Government have no information: I would remind the Honourable Member that the present proportion of Sindhis in the Posts and Telegraphs service in the Sind and Baluchistan Circle is the result of recruitment over a great many years when there were no orders restricting recruitment to men with local domicile.

(b) No policy has been laid down for the recruitment of Punjabis to the Posts and Telegraphs service in Sind.

(e) and (f). I would draw the Honourable Member's attention to the reply given to part (a) of his own starred question No. 430 in this House on the 19th September, 1932.

Mr. Lalchand Navalrai: Now that the Honourable Member has stated that the policy of communal basis is to be examined, may I not hope that this question will also be reconsidered?

The Honourable Sir Frank Noyce: I should like to remind the Honourable Member of a fact which I think he has forgotten, that in regard to recruitment to clerical posts in the Posts and Telegraphs Department in Sind, preference is now given to Sindhis.

EMPLOYMENT OF HINDUS IN CERTAIN DEPARTMENTS OF THE NORTH WESTERN RAILWAY.

680. ***Mr. Lalchand Navalrai:** (a) Has the attention of Government been drawn to the contribution published in the *Daily Herald* of February 21st, 1933, under the caption "Railways and the Minority Community"?

(b) Is it a fact that according to the latest Railway Board report non-Hindu employees on the North Western Railway are in a majority and not in a minority?

(c) Is it a fact that they outnumber by twenty thousand?

(d) Is it a fact that the subordinate staff in Workshops Cheds, Public Ways, Signals, Traffic Cabins, Carriage Engineering and such other staff are mainly non-Hindus?

(e) What is the total number of the non-Hindu and Hindu employees in the aforesaid departments?

(f) If communal basis is maintained by Government in such employments, are Government prepared to give due share of employments to Hindus?

(g) If so, what steps do Government propose to take in the matter?

Mr. P. R. Rau: (a) Yes.

(b) and (c). The total number of employees on the North Western Railway is 1,08,435; of these 37,749 are Hindus.

(d) and (e). All the information available is contained in the reports by Mr. Hassan, copies of which are in the Library.

(f) and (g). The policy of Government is to prevent the undue preponderance of any one community in the Government services and railway administrations are aware of that policy.

Mr. Lalchand Navalrai: Is the Honourable Member also going to examine this policy or not?

Mr. P. R. Rau: The Railway Board are bound by the orders of the Government of India.

APPLICATION OF RULES FOR COMMUNAL REPRESENTATION IN THE GOVERNMENT OF INDIA PRESSES.

681. ***Bhai Parma Nand:** (a) Is it a fact that the Controller of Printing issued general instructions to all the officers in charge of the Government of India Presses on the 7th October, 1930, that the rules for communal representation as applicable to permanent appointments must be applied to temporary posts as well?

(b) Is it a fact that men appointed on the temporary establishment are not being promoted to permanent posts according to seniority as decided by the Government of India, Industries Department, letter No. A.-220, dated the 31st October, 1928?

The Honourable Sir Frank Noyce: (a) Yes, in respect of clerical appointments.

(b) I have no reason to believe that the orders on the subject are not being followed.

STOPPAGE OF THE RECRUITMENT OF HINDUS IN THE CLERICAL STAFF OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

682. ***Bhai Parma Nand:** Is it a fact that according to the policy adopted by the Government of India, regarding appointments in their offices on communal basis, the recruitment of any particular community cannot be stopped entirely? If so, has the recruitment of Hindus been totally stopped in the clerical staff of the Government of India Press, New Delhi, under orders of the Controller of Printing passed in June or July, 1932? If so, why?

The Honourable Sir Frank Noyce: The answer to the first part of the question is in the affirmative. As regards the second part, an order was issued by the officiating Controller of Printing and Stationery in July, 1932, that recruitment to the next two or three vacancies in the clerical establishment should be made from minority communities. That order was issued in order to redress communal inequalities.

Bhai Parma Nand: Is it not against the spirit of the letter of the circular that was issued by the Government on the subject?

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member must resume his seat if he wants an answer.

The Honourable Sir Frank Noyce: The order does not seem to be entirely in conformity with the procedure prescribed by Government. I am having the matter examined, and, if I find that it conflicts with the general instructions of the Government, it will be cancelled.

APPOINTMENT OF HINDUS IN THE INDUSTRIAL ESTABLISHMENT OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

683. ***Bhai Parma Nand:** Is it a fact that the Hindus are not given their due share of appointments in the industrial establishment of the Government of India Press, New Delhi? If so, why?

The Honourable Sir Frank Noyce: I am not sure what the Honourable Member means by a due share of appointments but I have no reason to believe that Government's instructions in the matter of recruitment are not followed in the case of these posts.

APPOINTMENTS MADE IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

684. ***Bhai Parma Nand:** Will Government be pleased to give the undernoted statistics regarding the Government of India Press, New Delhi:

(a) the number of compositors appointed in 1933, and the number of posts given to each community; and

(b) the number of appointments made communitywise in the sanctioned Industrial Establishment during the years 1930-31 and 1931-32?

The Honourable Sir Frank Noyce: (a) 10; four Muslims, three Hindus, two Christians and one Sikh.

(b) In 1930-31, eight Muslims, two Hindus, one Sikh and one Christian; in 1931-32, one Hindu.

Mr. B. V. Jadhav: Have appointments been made in this case also on a communal basis?

The Honourable Sir Frank Noyce: I understand, Sir, that in this case the reason for the large number of Muslims who have been recruited to these posts is that a few years back there was an extensive re-organization as a result of which there was considerable retrenchment. The retrenched men have been given preference in accordance with the usual procedure in this matter.

RETRENCHMENT IN THE MILITARY ACCOUNTS DEPARTMENT AT RAWALPINDI.

685. ***Bhai Parma Nand:** (a) Is it a fact that retrenchment in the Military Accounts Department, at Rawalpindi, was unusually heavy as compared with such offices elsewhere?

(b) Is it a fact that in the course of retrenchment, there are cases in which passed and well-qualified accountants have been retrenched while unqualified and unpassed ones have been retained?

(c) Is it also a fact that the decision of the Retrenchment Board at Rawalpindi with Colonel Prince as President was confirmed by the same officer as Military Accountant General?

(d) Are Government prepared to hold an enquiry into the retrenchment affair at Rawalpindi, or reconsider the cases of the aggrieved individuals, giving them a chance to explain their cases?

The Honourable Sir George Schuster: (a) No; the number of compulsory retirements in the Rawalpindi office was proportionately less than in the majority of other Military Accounts offices.

(b) No.

(c) There was no formal ratification of the proceedings of the Selection Boards. The conclusions of the Boards were accepted as final, subject to the consideration of appeals preferred by individuals.

(d) Government see no reason for holding an enquiry. They will continue, as in the past, to consider on their merits any appeals presented by individuals.

Bhai Parma Nand: May I know if these individuals have a right of appeal to the higher authorities in case of retrenchment?

The Honourable Sir George Schuster: Which individuals?

Bhai Parma Nand: Individuals who are retrenched individuals who think that they have been unjustly retrenched.

The Honourable Sir George Schuster: I believe that in certain cases individuals who have been retrenched have made appeals. As I have stated in my answer, Government consider on their merits any appeals so presented.

Mr. Lalchand Navalrai: Can they apply for revision when there is no appeal?

The Honourable Sir George Schuster: I did not hear what my Honourable friend asked.

SYLLABUS FOR THE SUBJECT OF "PERSIAN CIVILIZATION" IN THE INDIAN CIVIL SERVICE EXAMINATION.

686. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Shaikh Fazal Haq Piracha): (a) Will Government please state if it is a fact that the syllabus for the subject of "Persian Civilization" in the Indian Civil Service competitive examination held at Delhi and Rangoon in January, 1933, provided that "Main stress both history and literature will be laid on period 1,000 A. D. to 1,500 A. D. Candidates will be expected to have a general knowledge of Persia before 1,000 A. D. to 1,500 A. D. and from 1,500 A. D. to the present time"?

(b) If the reply to part (a) be in the affirmative, will Government please state if they are aware that in the examination held in January, 1933, in the subject of "Persian Civilization", Paper I, with the exception of one question No. 3 in Geography, *exclusively*, and Paper II to the extent of half pertained to the period *outside* "1,000 A. D. to 1,500 A. D."?

(c) If so, will Government please state how they propose to remedy the wrong thus done?

(d) Will Government please state if they have considered the advisability of holding a fresh examination in the subject; if not, why not?

The Honourable Sir Harry Haig: (a) Yes.

(b) No.

(c) and (d). Do not arise.

INADEQUATE REPRESENTATION OF MUSLIMS IN THE GENERAL POST OFFICE, KARACHI.

687. ***Seth Haji Abdoola Haroon:** (a) Has the attention of Government been drawn to the *Daily Alwahid* of Karachi, dated the 11th January, 1933, in which an article has appeared, stating among other things, the inadequate representation of Muslims in the General Post Office, Karachi, and the probability of discharging a Sindhi Muslim youth from the above office?

(b) Are the contents thereof correct?

(c) Do Government realize the necessity of an adequate representation of the locals in the Postal Department of Karachi and, if so, what specific action do they propose to take to safeguard their interests, particularly of the Muslims, who form very meagre number in the Department concerned?

The Honourable Sir Frank Noyce: (a) and (b). Government have not yet seen the article in question but if the contents are as stated by the Honourable Member, and the official referred to himself considers that he has a grievance, he will no doubt represent it to the proper authority through the usual channel. I am sending a copy of the question and of my answer to the Head of the Circle.

(c) Government have no reason to believe that the existing orders regarding the recruitment of local men as candidates and the reservation of every third vacancy for recruits belonging to minority communities, including Muslims, in the Posts and Telegraphs subordinate services, are not being duly followed and in these circumstances, do not propose to take any action in the matter.

TRANSFER OF THE CENTRAL PUBLICATION BRANCH FROM CALCUTTA TO DELHI.

688. *Kunwar Hajee Ismail Ali Khan: (a) Is it a fact that the Central Publication Branch has been transferred from Calcutta to Delhi?

(b) What amount has been sanctioned by Government for its transfer?

(c) What privileges and concessions have been granted to the staff?

(d) Is it a fact that some of the privileges and concessions granted to the staff of the Accountant General, Posts and Telegraphs, Director General, Posts and Telegraphs, Imperial Record Department, etc., on the ground of transfer have been refused to the staff of the Central Publication Branch?

(e) Is it a fact that a memorial was submitted to Government by the permanent staff of the Central Publication Branch praying for an advance increment of Rs. 40 for clerks on pay above Rs. 100 and Rs. 20 for those below Rs. 100 usually granted on such transfers?

(f) Is it a fact that the said memorial was turned down by Government? If so, why?

(g) If financial stringency stood in the way of granting the full concessions to the staff, why has the office been shifted at this critical juncture?

(h) Are Government aware that an average margin of Rs. 50 and Rs. 25 is left to the assistants and clerks respectively after submitting to all the cuts?

(i) Are Government aware that the said margin is wholly inadequate even for bare subsistence?

(j) Is it a fact that a surplus of a few crores of rupees have been adumbrated in the Central Government Budget for 1932-33? If so, do Government propose to consider the case favourably and grant the concessions in the shape of advance increments?

The Honourable Sir Frank Noyce: (a) Yes.

(b) Rs. 1,80,000.

(c) (1) A bonus of two months' pay subject to a maximum of Rs. 200.

(2) An advance of two months' pay recoverable in 12 monthly instalments.

(3) Travelling allowance for families following within a year.

(4) Double third class fare for inferior servants.

(d) and (e). Yes.

(f) Yes, because Government did not consider that the circumstances justified the grant of the request.

(g) The attention of the Honourable Member is invited to the proceedings of the meeting of the Standing Finance Committee, dated the 19th February, 1932, Volume XI, No. 17, pages 492—494, in which full reasons are given for the transfer.

(h) No.

(i) Does not arise.

(j) The Honourable Member is aware of the budget position. Government do not propose to grant advance increments.

TRANSFER OF THE CENTRAL PUBLICATION BRANCH FROM CALCUTTA TO DELHI.

689. *Kunwar Hajee Ismail Ali Khan: (a) Is it a fact that the temporary staff of the Central Publication Branch after serving for about four years were discharged before their transfer and reappointed at Delhi at a much lower pay?

(b) Is it a fact that to the men so reappointed and having such an appreciable length of service no concessions have been given?

(c) If so, do Government propose to consider the case of the temporary staff sympathetically in regard to condonement of the break in their service and the grant of the usual concessions?

The Honourable Sir Frank Noyce: Certain men of the temporary staff who were to be discharged on the termination of their appointments at Calcutta asked for re-appointment to the Delhi posts, which in some cases carry lower rates of pay, and offered to travel to Delhi at their own expense if they were given the appointments. The Controller accepted this offer. As the offer was a voluntary one no question of further concessions arises. As I explained in answer to Haji Chaudhury Muhammad Ismail Khan's unstarred question No. 187 on 14th November last, it is within the competence of the appointing authority to condone any interruption in service of the men so re-employed.

EXEMPTION FROM DUTY ON SUNDAYS OF TELEGRAPHISTS TRANSFERRED FROM THE CENTRAL TELEGRAPH OFFICE TO CALCUTTA GENERAL POST OFFICE.

690. *Mr. S. C. Mitra: (a) Is it a fact that the telegraphists who have been transferred from the Central Telegraph Office to Calcutta General Post Office have been exempted from attending office on Sundays?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to state why these telegraphists have been exempted from duty on Sundays, although other clerks of those offices have to attend duties on Sundays?

(c) Do Government propose to issue instructions directing these telegraphists to attend Sunday duties in order to minimise the hardship of the other clerks of those offices? If not, why not?

Sir Thomas Ryan: (a) to (c). Government have no information. The matter is within the competence of the Head of the Circle concerned to whom a copy of the question is being sent.

RETRENCHMENT IN THE POSTS AND TELEGRAPHS DEPARTMENT.

691. *Mr. S. C. Mitra: (a) Will Government be pleased to furnish a statement showing the total number of (i) selection grade posts, (ii) clerks, (iii) sorters, and (iv) postmen, retrenched up to the 31st January, 1933?

(b) Will Government please further furnish a statement showing the total number of (i) Telegraph Masters, (ii) Telegraphists, (iii) Engineering Supervisors, and (iv) Engineering Officers, retrenched up to the 31st January, 1933?

(c) Will Government please also state the total number of (i) Superintendents of Post Offices or Railway Mail Service, (ii) Superintendents, Telegraph Traffic and Engineering, (iii) gazetted Postmasters who have been retrenched up to the 31st January, 1933, and the total savings effected?

Sir Thomas Ryan: (a), (b) and (c). The latest date for which figures are readily available is the 30th November, 1932, and a statement containing them is laid on the table. Though the statement does not classify the personnel exactly on the lines of the Honourable Member's question Government hope that it will meet his requirements as the collection of more detailed information would involve a great expenditure of time and labour.

Statement showing the number of appointments abolished of:

- (a) 1. Selection grade posts.
2. Clerks and sorters (including Sub and Branch Postmasters, Supervisors, etc.),
3. Postmen (including Head postmen and Village postmen),
- (b) 4. Telegraph Masters,
5. Telegraphists,
6. Engineering Supervisors,
7. Engineering Officers (non-gazetted subordinates),
- (c) 8. Superintendents of Post Offices and Railway Mail Service,
9. Superintendents, Telegraph Traffic (including Deputy Superintendents),
10. Engineering Officers, Gazetted (including Divisional Assistant Engineers, Construction, Junior Electrical Engineers, Deputy Assistant Electrical Engineers, Deputy Assistant Electrical Engineers, Phones, etc.),
11. Postmasters, Gazetted,

for the period from the beginning of Retrenchment up to 30th November, 1932.

Names of categories of posts or of officials.	Number of officials retrenched.
(a)	
Selection Grade Posts	147
Clerks and Sorters (including Sub and Branch Postmasters, etc.)	2,210
Postmen (including Head and Village Postmen)	1,787
(b)	
Telegraph Masters	48
Telegraphists	155
Engineering Supervisors	12
Engineering Officers (non-gazetted subordinates)	284
(c)	
Superintendents* of post offices and Railway Mail Service	23
Superintendents, Telegraph Traffic (including Deputy Superintendents)	8
Engineering Officers Gazetted (including Assistant Engineers, Construction, etc.)	10
Postmasters (Gazetted)	..
Total savings effected—Rs. 20,148 per mensem.	

Mr. D. K. Lahiri Chaudhury: Is it not a fact, Sir, that there is inefficiency in the engineering staff of the Telegraph Department? May I know what are the academical qualifications of the engineering officers in the Telegraph Department?

Sir Thomas Ryan: I am afraid I shall require notice of that question if I am required to give a precise answer.

Mr. D. K. Lahiri Chaudhury: Are they quite efficient to discharge their duties?

Sir Thomas Ryan: As far as I know, the officials are generally efficient.

Mr. S. C. Mitra: Are not the Government of India aware that there is in the public mind an impression that the engineering staff of the Telegraph Department has not been properly retrenched? That is the reason why I want these figures.

Sir Thomas Ryan: I have reason to believe that such an impression does prevail. I also believe that it is entirely unfounded, and I think if he will give me an early opportunity, it will be possible to satisfy the Honourable Member, and I will give him precise figures showing the men retrenched in the different branches.

RESUMPTION OF THE SEA POST OFFICE ON THE BOMBAY-KARACHI MAIL STEAMER.

692. ***Sir Leslie Hudson** (on behalf of Mr. D. N. O'Sullivan): (a) Is it not a fact that the Sea Post Office on the Bombay-Karachi mail steamer was discontinued on the assumption that an annual saving to Government of approximately Rs. 52,000 would be effected?

(b) Is it not the case that the subsidy paid by Government to the British India Steam Navigation Co., Ltd., includes the cost of accommodation on the ship for the Sea Post Office?

(c) If the answer to part (b) be in the affirmative, is it not a fact that the actual saving to Government would be approximately Rs. 14,000 and not Rs. 52,000?

(d) If the virtual saving is approximately Rs. 14,000, are Government prepared to consider the resumption at a very early date of the Sea Post Office?

Sir Thomas Ryan: (a) Yes.

(b) Yes, but a saving under this head is anticipated on the renewal in 1934 of the contract for the conveyance of mails by sea.

(c) No. The average immediate saving is approximately Rs. 19,236 a year exclusive of leave and pensionary charges.

(d) As already explained the immediate saving is considerable and it is expected that it will be materially increased next year; in these circumstances Government regret their inability to resume the system of a sea post office on the Bombay-Karachi route.

Mr. K. P. Thampan: May I know whether this post office deals solely with foreign mails or with inland mails also?

Sir Thomas Ryan: The Sea Post Office used to deal with foreign mails—not only foreign mails, but foreign mails was the principal part of their work.

IMPROVEMENT OF THE LONG DISTANCE TELEPHONE LINE BETWEEN KARACHI AND BOMBAY.

693. **Sir Leslie Hudson** (on behalf of Mr. D. N. O'Sullivan): (a) Are Government aware that the long distance telephone line between Karachi and Bombay is continually out of order?

(b) Are Government aware that the service on the long distance telephone between Karachi and Bombay is so uncertain that it is of little or no utility to those who endeavour to depend on it for business purposes?

(c) If the answers to parts (a) and (b) are in the affirmative, do Government propose to take steps for the early improvement of the said long distance service?

Sir Thomas Ryan: (a) and (b). Government are aware that service on this trunk line is unsatisfactory and progressive steps have been taken to improve it. These include the provision of another repeater which was ordered some months ago. It is expected to arrive very shortly and will be installed at once.

(c) Government anticipate that the measures now in progress will be effective but in addition they have under consideration a scheme for providing a more direct trunk telephone route between Karachi and Bombay via Ajmer and Ahmedabad. It is feared that owing to financial considerations this may not be practicable in the near future but in the meantime all possible action will be taken to make the trunk service between Karachi and Bombay, now maintained over a single pair of wires nearly 2,000 miles in length, as reliable as circumstances permit.

THE GENERAL BUDGET—LIST OF DEMANDS—contd.

SECOND STAGE—contd.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now resume consideration of the second stage of the Budget. In accordance with the arrangements made yesterday, Demand No. 28 will be taken up for consideration this morning under a cut motion on behalf of the Nationalist Party to be moved by Mr. Amar Nath Dutt. I would remind Honourable Members that the consideration of this Demand must be finished before the Luncheon hour.

DEMAND No. 28—EXECUTIVE COUNCIL.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The motion before the House is:

"That a sum not exceeding Rs. 77,000 be granted to the Governor General in Council, to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Executive Council'."

Retrenchment and Indianisation of Services and Reduction of Pay for Future Entrants.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, I beg to move:

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

I have given notice of this motion in order to discuss the question of retrenchment and cognate matters of Indianisation of the services and reduction of pay for future entrants. It is not necessary for me to say that our Budget exceeds the resources of our people, and when we remember that within the last 12 years about Rs. 140 crores of additional taxation have been imposed upon this impoverished country, surely the representatives of the people have a right to ask for retrenchment of the expenditure of the Government. Retrenchment can be effected both by not undertaking unprofitable schemes and by a reduction of the emoluments of office. I submit that there has been extravagance all round and there has been no earnest attempt to reduce the expenditure in order to give some relief to the Indian tax-payer. Various Departments, during the last decade, have come before the Government with various proposals which entail heavy expenditure and they were sanctioned with the result that the people have had to pay additional taxation. As I have already submitted, every one in this House knows that there has been for the last 12 years an enormous increase in the burden of taxation. Besides this, we have to consider the question of retrenchment from two points of view. We can reduce our expenditure by reducing the number of men and also by reducing the salaries. At the outset I must say that I am not for the retrenchment of a single individual serving in the Government of India or in any Provincial Government. When you remember the great unemployment facing us in these times of economic distress, I believe no one will subscribe to the view that any man, who is in the service of the Government, should be driven out of that service and asked to find a living elsewhere which is now a days so very hard.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Even though there is a surplus?

Mr. Amar Nath Dutt: Yes, my Honourable friend has made a very pertinent remark that "even though there is any surplus". Sir, I do not think Government will admit that there have been surplus men in any Department of the Government. Whenever they entertain more men, they say, we have amalgamated two offices and the burden of certain work has fallen heavily upon a particular individual—that is the ground on which they come. So, the question whether there has been any surplus of men or not does not arise.

Mr. Lalchand Navalrai: But what is the Honourable Member's own opinion about this? He has said several times that the top heavy administration should be curtailed.

Mr. Amar Nath Dutt: It is one thing to speak of the top heavy administration and say that there are surplus men among the Treasury Benches, and another to say that in the office of the Director General of

[Mr. Amar Nath Dutt.]

Post Offices there are surplus men drawing poor salaries of Rs. 200 or 300 or Rs. 50 or Rs. 60 per month. Of course, if my Honourable friend had directed my attention to the officers at the top of the ladder, I would have agreed with him. What I beg to submit is that taking the services as a whole I am not aware that there is any surplus of men. We must also give this much credit to those who have to administer our affairs in this country that they are only taking men as are necessary and do not burden us with expenditure which is unnecessary. That being so, I beg to submit that retrenchment can be viewed—at least that is my view and I submit that view before this House for its consideration, I do not say that that is the only point of view which is correct and that Honourable Members, who hold other views as my Honourable friend over there, are incorrect, but what I beg to state is that in these days of unemployment when we have thousands of graduates coming out of our Universities and find them without employment, it leads to some difficulty in our society. There are officers under the Government who would say that these discontented graduates are used as a lever for political purposes. But I shall not discuss any politics when I am speaking about retrenchment. What I desire to submit is that salaries of over Rs. 1,000 a month can certainly be reduced in a country like India. I am not going down to that figure which has been laid down by that saint who is now in the Yaravada Jail. I would, say this that in a country like ours salaries ranging from Rs. 1,000 to Rs. 2,000 are enough for officers however high their position may be.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): Four times as much as Mahatma Gandhi's scale.

Mr. Amar Nath Dutt: I have already said that I am not willing to go to that level which has been given out by the saint of the Yaravada Jail who is in the custody of my Honourable friend, Sir Harry Haig. If the Honourable Member thinks that he being in his custody Sir Harry Haig may be able to persuade him to come up a little higher, I have no quarrel with him. Be that as it may, salaries of over Rs. 2,000 should be only to men of exceptional ability and men who may be termed experts in certain branches. But ordinary graduates, however brilliant their University career may be, ought to be satisfied with a scale of Rs. 1,000 to Rs. 2,000 and, if they are more ambitious, they can go to other professions than Government service.

Then there are several smaller items of expenditure from which Government could effect savings. I may mention, as an instance, the Simla exodus, about which my friend, Mr. Gaya Prasad Singh, feels so strongly. Then there are the saloons of the Executive Councillors, whole first class compartments for officers and such other things. A wholesale reduction ought to have been made in the salaries over Rs. 1,000. It is impossible to reduce salaries below Rs. 1,000, at least to the same extent as the higher salaries. The reduction of expenditure on account of retrenchment has not come up to the figure we would like to have. That being so, I may be excused for saying that the Government do not seem to be earnest about retrenchment. What I want is a drastic reduction in the salaries of all the higher Government officers. Here, of course, such catch phrases as "sanctity of contract", "faith in the certainty" and "security of service",

and so on, will come in. They have been sufficiently dealt with in the various committee reports. I may refer to certain observations of the Joint Select Committee before the Government of India Act was passed. They observed:

"The Committee think that every precaution should be taken to secure to the public servants the career in life to which they looked forward when they were recruited and they have introduced further provisions into this clause to that end."

The further provision is section 96B of the Government of India Act. I shall not read the provisions of the Government of India Act, but I shall only remind this House that it contains provisions for those men who were appointed before 1919 by the Secretary of State in Council, that they shall retain all their existing and accruing rights or shall receive such compensation for the loss of any of them. Not being satisfied with this, they make a further provision about pensions and say "Nothing in this section or in any rule thereunder shall prejudice the rights to which any person may be entitled", and so on. That policy and that principle has been enunciated more than once and, even in the Lee Commission Report, we have this observation about the security of the services:

"Government should pay so much and so much only to their employees as is necessary to obtain recruits of the right stamp and to maintain them in such a degree of comfort and dignity as will shield them from temptation and keep them efficient for the term of their service."

I am not at once with the observations contained here. The scale of comfort and dignity varies with the race of the individual and the society in which he is born. We have seen sons of rich men who have been reduced to poverty and who have had to adopt a low standard of life. We know sons of poor men growing rich, who adopt a higher standard of life and, if one were to say at this age that dignity can be preserved only by giving the man a sufficient sum of money, then nobody would subscribe to that view in this age. Then, as regards the question of shielding from temptation, I think, what is meant is the taking of bribes. I remember, when the Retrenchment Committees were sitting, certain officers of a Provincial Government thought that I was one of those who was working mischief to them and that I was responsible for the ten per cent cut, and so on. One of them was a Member here. His place has now been taken up by another. That gentlemen said: "Oh, you can reduce salaries to any extent you like, but only take away certain sections in the Penal Code, namely, the section about taking bribes". I told him that honesty does not depend upon the salary you get, but it depends upon one's character. You will find a man getting Rs. 15 a month who is incorruptible, whereas you will find men drawing higher salaries yielding to temptation. When I joined the Presidency College, there was a gentleman there who was drawing a salary of Rs. 400; his highest ambition as a member of the Indian Educational Service was to become a Director of Public Instruction on Rs. 2,500. But that gentleman rose to Rs. 80,000 a year, yet he was not satisfied with the high salary. Sir Robert Walpole is said to have observed that every man has his price. It is only the fear of exposure, prosecution and dismissal that acts as a check. If the amount is sufficiently high, very few will not succumb to the temptation, therefore I think shielding from temptation should not be the ground for giving higher salaries.

[Mr. Lalchand Navalrai.]

be denied that there are officers in the Superior Services who are unnecessary. And when Government say that there are no unnecessary officers, the Honourable the Mover said that that question did not arise,—a remark with which I do not agree.

Then, coming to retrenchment in salaries, I submit that it can be done only in respect of Superior Services. Retrenchment Committees were appointed, but they had no hand in retrenching Superior Services. The Retrenchment Committees examined the problem and they came to the conclusion that retrenchment must be made. But Government came to the conclusion that in the case of their own staff, a ten per cent. cut should be made, and they have now thought it necessary to restore five per cent. of the cut. I submit that the salaries of the Superior Services can nevertheless bear a large cut. Then, Sir, if they only retrench salaries, I do not think they are going to derive any very great help to balance the Budget or to have any saving for the nation-building Departments.

Then, another method of retrenchment is to Indianise, and I submit that no serious attempt is being made to that end. I admit that some places, which were reserved for Europeans only and were enjoyed by them alone, are to some extent now being given to Indians, but what I submit is that there should be a greater attempt in that direction, and if they Indianise the offices, the Indian officers will work on lesser salaries than are now being drawn by European officers. If economy is made in that manner, then only it could be said that economy of a substantial nature has been done. With these words, I support the motion.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muham-madan Urban): Sir, it is with considerable hesitation that I venture to take part in this debate, because I have not had the advantage which members of the General Purposes Retrenchment Committee have had of examining in minute detail the Budget of the Government of India on the civil side, and of making recommendations for finding sources of retrenchment. If I, therefore, join in the debate, it is merely to put forward some general considerations and not to take any particular item where I feel quite safely and securely that retrenchment may be carried out. Viewing the Budgets of the Government of India for the last few years, noting the tendency of the times, certainly realising the economic condition of the world today, I do not think the Honourable the Finance Member or any of his colleagues will find it easy to justify a budget of this kind, specially when the revenues of the country are bound to go lower and lower. The Honourable the Finance Member knows,—none better,—that the mainstay of the revenues of the Government of India today is the Customs revenue. I do not know how far the policy of protection will continue to sway the counsels of Government and be accepted by future Assemblies of the country. But I do venture to look forward to a day when there will be more realistic fights between free-traders and protectionists in this country, when interests represented by the producers of raw material on the one hand and the interests represented by the consumers on the other will ally themselves against the industrialists and the commercial men in vindicating a policy of free-trade. Sir, these are tendencies which have to be taken note of by every Government. The general level of expenditure is such and the growth of

diminishing returns of revenue are also such that none can venture to look forward to any long period when the present scale of expenditure can be continued. We have seen how in various countries attempts are being made to balance their Budgets; and though few countries are in the position in which India is today and are able to present a balanced Budget, I still venture to think that other countries have taken steps in the direction not merely of increasing their taxes but, what is far more important, of reducing their scale of expenditure. I think the time has come, Sir, when apart from the retrenchments that have been carried out, the whole position of the expenditure of this Government has to be reviewed and scales of expenditure have to be lowered down.

We were told two years ago that so far as new recruits to the services were concerned, the revision of scales was under contemplation, but we have yet to know what steps have been taken and when the new revised scales of expenditure are going to be brought into operation. The matter is of some importance, Sir, because whatever the new constitution is going to be, it is bound to start under very unfavourable circumstances unless the scale of expenditure, both in the provinces and in the Centre, is considerably reduced. Hereafter, under the new constitution, the Provinces are going to have services entirely under their control except for two All-India Services, the Civil Service and the Police Service. And it is not a far remote idea that in organising their provincial services the Provinces will take note of their own resources and revenues and, therefore, try to revise the scales of salary so that they might meet the expenditure within the revenues which they can raise. A very important question arises, therefore, as to what should be the relation of the All-India Services to such Provincial Services. In the past, scales of pay of the Civil Service generally regulated the scales of pay of all Provincial Services also, and it was right that it should be so. The District Magistrate was the head of the district drawing Rs. 2,500, and there was bound to be a certain parity,—if I may say so, not in the sense of equality, but in the sense of appropriateness,—between the scale of pay of the District Magistrate and the scale of pay, say, of the District Judge or of the Subordinate Judge, and so on. But in the times that are coming when the Provincial Services will be entirely under the control of the Provincial Governments, if the scales of pay were such as would be suitable to the revenues of the provinces, then I ask myself what should be the ratio between the scales of these Provincial Services and the scales of the newly recruited Indian Civil Service and the Indian Police Service. I am venturing to make these observations, because I know that the question is now under consideration, and one of the aspects that I should like to be considered in reviewing the scales of salaries of the Police and Civil Services is their relationship to the newly reorganised Provincial Services. I am sure, my Honourable friend, the Finance Member, who some time ago convened a conference of Finance Members of the various Provinces, would have had this aspect brought to their notice.

Then, Sir, there is also another subject to be taken into consideration. The Government of India have followed in general terms the policy of the Government of Great Britain with reference to organising their expenditure. We have often in this country—I myself have been one of the most frequent—complained against expenditure in brick and mortar, but when we go to England, we realise that it is one of those evils—if it be an evil—which has been transmitted to us from the example of the Government in Great Britain. They believe in substantial structures.

Mr. R. S. Sarma (Nominated Non-Official): What is your price?

Mr. Amar Nath Dutt: Well, I think, my price is known to litigants in Bengal and my friend will know it when he comes to me with a case.

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): He is probably asking for your Delhi price.

Mr. Amar Nath Dutt: That is Rs. 20 a day. Sir, in order to reduce salaries, it may be that we may not have that large number of foreigners—Englishmen and others—in the services under the Government of India. Only such Englishmen or other foreigners may be taken into the service of the Government of India whose services are necessary for special posts, as for example, financial experts like my Honourable friend over there, and also, if I may say so—I do not know whether every one will agree with me, and I cannot say that I am by any means of that opinion—for the preservation of law and order which is looked after by my Honourable friend, Sir Harry Haig. Be that as it may, I submit, there should be all-round Indianization of the services in order to get down to a reduced scale of expenditure on the pay of the services. Anyone wishing to serve in India must try to approximate to the Indian standard of life in order to reduce their scale of expenditure a great deal. Sir, Indianization has been a topic on all sides of this House for a very long time, but in spite of that, that process has not at all been going on rapidly as we all desire. Sir, I shall, in this connection, quote a few lines from the Report of the Central Committee to illustrate my meaning:

"In connection with the recruitment of the services, it is clearly inconsistent with the principles of responsible government that such recruitment should be vested in any authority outside India. We, therefore, propose that recruitment for the services should be in the hands either of the Government of India or of the Provincial Governments, as the case may be, and that the Governments concerned should be free to choose their own agency for this purpose."

That was the recommendation of the Central Committee of which my Leader was one of the members. Sir, I submit that the whole of the Government of India should be Indianized to an extent such as will leave only a few posts for *bona fide* experts to be imported from elsewhere on high salaries and that those salaries should be less than what they are now. The expenditure of the Government of India can in this way be reduced a great deal. Another thorny subject connected with this motion concerns the pay of the future entrants. Now, I submit that the pay of future entrants should be commensurate with the capacity of the people to bear it, and I beg to submit that their pay should be fixed on the scale which was prevalent before 1858. With these words, Sir, I beg to move my motion.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

Mr. Lalchand Navarai: Sir, I desired to speak on this cut motion, but not at this stage. However, after hearing the Honourable the Mover of this cut motion, I thought I must get up to speak at this moment. Sir, so far as this cut is concerned, I should not be misunderstood that I do not approve of the motion, or that I have no support for it; on the contrary, I have every reason to support it. My Honourable friend raised first, the point of motive for the retrenchment proposed. Sir, I entirely

subscribe to what he said with regard to it. Sir, we all know that India is over-taxed; we all know that from year to year Government have made it their habit to increase these taxes, and if there is unemployment or the people are in distress, who can say that it is not also on account of this increase in taxation? Therefore, Sir, it is very necessary that we should ask the Government to carry on their administration with economy. The underlying motive of the cut is absolutely sound. Then comes the question of the method of the retrenchment. Here, I am afraid, I do not agree with some of the suggestions made by my Honourable friend, the Mover, but I should not be understood to differ from him substantially. I have my own views on certain suggestions which the Mover made. Sir, with regard to retrenchment, I think attention should be directed first towards the curtailment of the number of officers. Sir, it is urged that if any retrenchment by reducing the number is going to be made, it will add to the volume of unemployment at present, but on that account we should not shirk the task of curtailing the number of redundant officers. Sir, my Honourable friend, the Mover, felt an apprehension, and I think he had good reason for that, that when we ask that there should be retrenchment by the curtailment of numbers, the Government will curtail only the number of subordinates. I think my Honourable friend had good ground for such apprehensions, but what I ask the House to consider is that if, by curtailing a number of superior posts, a number of subordinates' posts is also retrenched, we must nevertheless go on wholeheartedly for such curtailment.

Now, first of all, I suggest that certain Departments, which have been split up, but were formerly joint, should be re-amalgamated. Sir, we know that the work was going on quite well under the old conditions and that in prosperous days, when we had no deficit Budgets, Government never thought that the surplus should be kept in reserve or that it should be directed to relieve India of the large amount of debt that is now shown to be outstanding against it, but they went on increasing their officers all round. Any officer who just came in and wanted to enter the service was patronized and thus it became necessary to separate the Departments. That was a wrong policy and we are suffering for that now; and when we ask that the old system should be reverted to, the reply is that there is so much of work, that officers are sitting long hours at their desks and are over worked. Sir, all that is only unreal fear and unreal explanation. Sir, I know it is quite possible to carry on with the old system: for instance, take the case of the Board of Revenue. The work of that Board was being done satisfactorily with a Secretary to the Government being in charge of it. Now we see that that part of the Government Department has been split up into a separate unit with two Members of the Board and a Secretary and establishment. Why should it have been engaged, in these days of economy and depression? The old system should be reverted to.

Sir, in the like manner I also object to the Tariff Board. This Tariff Board work was also being carried on formerly by a Secretary.

12 NOON. But now we have got so many Members of the Tariff Board on very high salaries and the Board is being continued from year to year. We are often told that the Board is going to end, but, any how, some work is found for them and the Board is kept alive. Does this indicate any desire of Government to make retrenchment? I need not take the time of the House by going into many other instances, but it cannot possibly

[Diwan Bahadur A. Ramaswami Mudaliar.]

We do not believe in that. They believe in a house like this. I do not know how many years these houses are going to stand. I hope no bricks will fall on us in the course of our life-time extended, but they believe in these substantial structures, and in a scale of public works expenditure which is altogether unsuitable to this country. These things also have to be revised. I am venturing to state that it is not by economy here and economy there, by retrenching a few officers or by retrenching a few subordinates in this part or in the other part, that the real scale of expenditure of the Government of India or of Provincial Governments can be brought down, but by a thorough overhauling of the whole system. If I were to go through the finances of the Provincial Governments and examine Bombay or Bengal, then I would have a very difficult tale to tell of the way in which those administrations are being carried on. But that is not my sphere, and I do not think it will be right on my part from this place to animadvert on the policy that is being pursued by the Provincial Governments. I venture to think that if the Government of India were to lay down their own policy clearly and unmistakably and in a way so to adjust its policy as to suit its revenues, the Provincial Governments will certainly learn a lesson thereon and so also adjust their own expenditure. Centralisation has been carried on far in excess of what is necessary. Tomorrow we will have an opportunity of discussing the Army Budget and of trying to show that in the Army in spite of great efforts that have been made, which I thankfully acknowledge, by some of the military authorities, there are others who have not been equally responsive to the call of duty and to the demands made by the public.

Speaking of the Civil Departments of the Government of India, I venture to think that red tapism has run riot throughout the services, the process of noting—the existence of an interminable array of intermediate officers who must note on many things before you can pass your orders—is really responsible for the large expenditure in the civil department. You have to go back to a simpler state of things, when the District Officer or even a Member of the Governor General's Executive Council was more in touch with public opinion, he had direct orders passed on many subjects without having to go through the interminable file of secretarial notes and when he was believed, if I may venture to say so, to take a more dispassionate view of the problems that were presented to him.

My Honourable friend, Mr. Mody, says that they may sit under a tree and dispense justice. I hope that in any case they will not follow the example of the Bombay mill-owners who sit far away in the wilderness from which they carry on their business unsuccessfully.

Now, Sir, I am not one of those who believe that elementary simplicity can be restored in these matters, that life can go on as it used to some 30 or 40 years ago, and there is no need at all for a complex machinery. The things that have taken place during the last few years, the adjustments that have been necessarily made involve a more complex administration than that which used to exist some 30 or 40 years ago. I realise the necessity of it, but I venture to think that it may too easily be overdone that this complexity, while in one sense and a very artificial sense leads to efficiency, it may in a human sense and in a realistic sense lead also to certain deterioration in that very efficiency for which you and I stand

in common. Therefore, Sir, on a motion like this I feel that the utmost that I can do is to sound a note of warning that the policy of Government with reference to many of these matters may be revised and, in that revision of policy, lies the real salvation of this country, the real hope for fruitful economy to be carried out.

Sir, we do not know what may happen in the very near future. The currencies of the world are facing a crisis and are tumbling down. The great crisis that has overtaken America has so far had no effect on this country. I am certain that it is engaging the attention of the Honourable the Finance Member. What the re-actions of the moratorium in the States and the possible departure from the gold standard of America may have on the linking of the rupee with the sterling and on the Budget that the Finance Member has framed I am unable to say. I have an uneasy feeling that we may some day wake up to a crisis just as we were faced with in September. The only consolation that I feel is in the fact that throughout the British Empire there is a common standard and that to that extent the linking of the rupee to the sterling may today prove a greater blessing than what it appeared to be in September, 1931. I recall the words of the Chancellor of the Exchequer, Mr. Neville Chamberlain, when he spoke on the Ottawa Agreement in the House of Commons and stated that the British Empire standing together on a common currency like the sterling may yet be the only portion of the world standing on safe and dry ground, and that it may be in a position to lend a helping hand to pull out of the morass many other countries of the world. Within the last few days what has been happening in America lends a little support to the theory which Mr. Neville Chamberlain put forward. But, whatsoever it may be, not trying to indulge in high finance and higher politics, I hope the Government of India will take note of the times and that they will really make an effort which they alone can do and not any General Purposes Retrenchment Committee at overhauling policies and at trying to so adjust their new policies as to make the administration less cumbrous and less expensive than what it is. Sir, I support this motion.

Hony. Captain Rao Bahadur Chaudhri Lal Chand (Nominated Non-Official): Sir, there is one aspect of the recruitment of services or of Indianization that has not been put forward before this House. The backward communities, viz., the agriculturists and the military classes are all ignored in the recruitment of services, particularly in civil departments, and Indianization is, in practice, another name for *urbanization*. Rural people are all out of services and urban people have got a monopoly of all the services, and, in spite of all assurances from time to time given by heads of Departments and by Executive officers to the people belonging to martial race and to agriculturists for some favoured treatment, the position is simply this that all offices are choked with urban people, and it is very difficult to break the monopoly until Government were to take drastic measures in order not to show particular favour to the rural people but to guarantee everybody his due.

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muham-madan): Another point of difference—urban *versus* rural!

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Yes, that is more nationalistic than your communal distribution. At least this territorial distribution will take away the sting of communal distribution. I have

[Hony. Captain Rao Bahadur Chaudhri Lal Chand.]

got figures to show that the non-agriculturists living in villages are equal sufferers with the agriculturists living in villages, and, therefore, I have classed the population as rural and urban. It is only the town non-agriculturist that has got a monopoly of the services and, for that, some measures should be found. With your permission, Sir, I may give a few examples to show how the *best* from among agriculturists are being kept out and the worst from among the non-agriculturists are being taken in, in order to keep this monopoly on account of the great influence that Superintendents and others exercise over the heads of Departments and their bosses. I will mention the case of a non-agriculturist Sub-Judge in the Punjab. This gentleman was only a matriculate and had no legal qualification to his credit. But he belonged to a town and his father had great influence with the Honourable Judges of the High Court. This gentleman would have done very well as a clerk as he was hard of hearing; but, instead of being offered a post of a clerk, he was appointed a Sub-Judge. He went on, or rather his readers went on, taking down the statements of witnesses and passing decrees for a number of years. To add to this, this gentleman was very ambitious and, in order to get something more, he asked the present Governor for an interview.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhamadan Rural): On a point of order: what is the relevancy of this discussion on the retrenchment motion of my friend, Mr. Amar Nath Dutt?

Hony. Captain Rao Bahadur Chaudhri Lal Chand: I have already said, Indianisation is another name for urbanisation and that that should stop.

Mr. Lalchand Navalrai: Can we give individual cases?

Hony. Captain Rao Bahadur Chaudhri Lal Chand: I have already stated that I want to show that these things are working such a great havoc that the worst people belonging to one class are being taken in, whereas the best people belonging to the other class, even if highly educated, are being kept out; and I am within my rights to quote a few instances, I am not naming persons, but only giving instances to illustrate what I have said.

Bhai Parma Nand (Ambala Division: Non-Muhammadan): To which class do you belong? Urban or rural?

An Honourable Member: He is both where loaves and fishes are concerned.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Choose whatever definition you like, but let this division be accepted.

(Interruption.)

Mr. F. E. James (Madras: European): Are you a vegetarian? (Laughter.)

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Sir, this gentleman applied to the present Governor for an interview in order to get something more. At the interview, His Excellency came to know that he could not

hear, and, after the interview, a note went to the High Court that the man should be medically examined. He was sent before the medical Board and was asked to resign. But, is it not a pity that for this Government had taken twenty long years to discover that he could not act as a Sub-Judge?

Sir, there was another gentleman coming from the same community who wanted to get an executive post and applied direct for recruitment. He was highly qualified, but he was a weakling sort of man, and when he appeared before the Medical Board, they declared him unfit for that executive job. He had influence in some offices and got himself into that office as a clerk and today he is occupying that very executive post for which the Medical Board, set up by Government, had declared him unfit.

An Honourable Member: Have you got personal grudge against that gentleman?

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Not at all. There are many other cases of this type and I have mentioned this to illustrate my point.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): I think the Honourable Member cannot be repeating all these individual personal cases: they are quite irrelevant to the issue before the House.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: I am not naming anybody.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): It is not a question of naming anybody at all: no doubt the Honourable Member might give, just by way of illustration, a case that the policy of retrenchment pursued is not correct; but if he were to keep on the whole time giving a series of cases, he will be quite out of order.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: With your permission, Sir, I will quote two more cases, not of this class, to illustrate another side of the question. There is a clerk in one of the offices in Delhi. (Interruptions.) Why interrupt? I know something of relevancy and I know this is relevant; but my remarks are unpalatable and, therefore, I am being interrupted from all sides. Sir, this clerk has got military relations to back him up. He got into that office about three years ago; he went on very well; but when retrenchment started in that office, as he was a Hindu Jat, he got a notice that there was no place for him. He brought in a few military officers in full uniform with medals on their breasts to the head of the Department to recommend him. But it was impossible for him to be retained as there were more Hindus in that office than could be tolerated. The recommendations had no effect.

One fine morning this gentleman went to a *Gurdwara* and took *Pohal* and came out as a full-fledged Sikh and this time he came to the office, not with military officers with their medals on their breasts, but with a *Granthi*. The *Granthi* now recommended him as a Sikh and he was taken in. I knew the boy before and when I happened to go to that office I could not recognise him.

An Honourable Member: That is a very good case.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: My Honourable friends will not listen, that is the difficulty. I will give you a still more amusing case later. As I was saying, I went to that office and although I knew that boy before, he recognised me, but I could not recognise him; and as he seemed to be very familiar, I could not ask him his name even. When another gentleman came and I asked him this boy's name, he gave me the name and particulars mentioned by me here. Perhaps my Muhammadan friends might be under the impression that this is not so in their community. In their community also, the villagers are equal sufferers. There was a distinguished graduate of the Punjab University. He happened to be a Muhammadan Jat. He was anxious for Government service and, he had taken a B. A. degree, as well as a degree in teaching. He applied for a job as a teacher in some Government School, but he failed. He knocked at the doors of communal institutions, Islamia Colleges and Islamia Schools and, there too, he met with the same fate, because, as I learned from him, the men who were in charge of those institutions happened to be urban people and they had enough relatives and friends to support. Having learnt that there was a Hindu Jat High School at Rohtak, he applied for a job with us. I was Honorary Secretary, of this institution, and, seeing the high qualifications, I persuaded my Committee to accept him, particularly as he had passed the Honours School in Mathematics and was thus highly qualified. He remained with us for six years and he was so brilliant that during these six years he passed M.A. in English and M.A. in Persian as a private candidate. After having thus equipped himself, he again tried for a Government job in one of the Colleges and he was given the same reply, because everywhere there was that urban influence and there was no place for poor villagers who had no backing, and it was with the greatest difficulty that the Department could be persuaded to take him on the high salary of Rs. 110 per mensem, where men of inferior qualifications were given start at Rs. 250 per month.

Sir, there is one more case of a Jat graduate who having knocked at all the doors learnt that there was going to be recruitment for police constables and approached the office of the Superintendent of Police. There he stood amongst a row of illiterate people, and as he was a well built man, he was selected and sent to the medical officer for examination, along with others. He was declared medically fit. But somebody from that office whispered into the ears of the Superintendent of Police that this man was a graduate, and that was enough for the Superintendent of Police. He at once said that there was no place for this man and advised him to go and serve somewhere else as a Babu. This is the treatment that is being meted out in services to the poor villagers. I have brought all these instances to the notice of the Treasury Benches, because on the day the Railway Budget was being discussed, it was pointed out that the whole question of recruitment to services was under consideration, and I only request that this aspect of the question should not be lost sight of. These may be extreme cases, but the fact is that everywhere there is the urban monopoly and rural people, whether they are Muhammadans, Hindus or Sikhs, martial or non-martial, agriculturist or non-agriculturist, are all equally sufferers.

Mr. B. V. Jadhav: Sir, I rise to support the motion of my friend, Mr. Amar Nath Dutt. I also at the same time desire to express my full sympathy with the line of argument adopted by my friend, Captain

Lalchand, but I must say that the division of the people into rural and urban areas is rather unintelligible

Hony. Captain Rao Bahadur Chaudhri Lal Chand: It is so for election purposes. There a division between rural and urban people exists, and the same thing should be tried in services also.

Mr. B. V. Jadhav: With all due deference, I still fail to recognise the difference, because it is very difficult to say where urban begins and rural ends. I myself was born in a municipal town 60 years ago. That town, at that time, contained about 6,000 inhabitants, and the population has not very much increased even now. That town ought to be known as rural area and it is called an urban area. So the difference between urban and rural is very imaginary. No line can be fixed, and the division of rural and urban cannot work properly. But I fully appreciate my Honourable friend's sentiments, because my people are also suffering from the same disabilities. I shall make myself clear. I feel that the difference should be the agricultural interests, and urban interests or commercial interests. They are generally at variance. In my part of the country, there are what are called the Pandrapeshas or men with white clothes, while the agricultural people put on soiled clothes, and the Pandrapeshas or the *Bhadralok* classes, as they are called in Bengal, do not allow the agricultural people to come forward; because the former form a privileged community with vested interests, and that is what, I think, my friend Mr. Lal Chand means.

Mr. Lalchand Navalrai: You mean Captain Lalchand?

Mr. B. V. Jadhav: I did not mean you; I meant my friend, Captain Rao Bahadur Lal Chand. Now, Sir, on account of the world war, the finances of the country were very much inflated. The Government of India found too much money on their hands, and, in their anxiety to get rid of it, they began to increase their expenditure. They started new offices, recruited new officers and appointed Commissions to suggest in what way the surplus money should be distributed among the then holders of the higher offices. The Lee Commission made recommendations and provided for amenities to the various services, and in that way the surpluses of those days were swallowed up. Now, we have fallen on quite normal times. The revenues have again dwindled, and it is difficult for the Government to make both ends meet, and on every side they are pressed for economy and retrenchment. Government are advised to cut their coat according to the cloth, and that, I think, is a very sound advice. But Government, instead of accepting that advice, are trying to stretch their cloth to make it longer in order to provide better covering for the body, and in that process of stretching, there is the danger that the cloth might become weaker or it might be torn. Government, in order to expand or enlarge their revenues, have been piling up taxes upon taxes, and the limit has now been reached, and, therefore, I think it will be very difficult to realise in future years even what is estimated. Government have been going on with great complacency, and they think that matters will go on as they have been going on during the past years. But I am afraid that a crash may come one day. It has already come, but the Government do not want to recognise it, because, last year or about 18 months ago, they could balance their Budget by levying heavy taxes which

[Mr. B. V. Jadhav.]

were quite distasteful to this side of the House and to the public at large. With regard to their anxiety to give honey or to provide jam for those who have been taking their bread, they have this year made provision by restoring the five per cent. cut. If they had, at the same time, taken care to raise the taxable limit of income-tax on incomes from Rs. 1,000 and Rs. 1,500, that would have softened some of us, because really the people, who are in receipt of that income, are to be pitied and ought to be helped. But Government had no concern for them; they wanted to recoup the losses of their own servants, although they were getting fairly high salaries, and they have restored the five per cent. cut without having any regard to the miseries of the other people. Retrenchment there must be, and, for that purpose, there ought to be a general overhauling of the services. It will not do to merely recruit the new entrants on lower scales; of course they must be recruited on lower scales, but it is necessary in order to provide relief to the revenues of the country that there should be a proportionate cut in the salaries of the incumbents now in services. I do realise the imperative necessity of keeping up promises, but, in their own interest, I think, the services, that are now drawing high salaries, should see the wisdom of accepting a voluntary cut. It will not look well for the Government to prescribe a cut of their own accord, because Government are bound down by their promises, but I think it is not unnatural to expect that the services themselves should come forward and accept a voluntary cut and, in that way, help the revenues of the Government of India.

Sir, the Government have not done enough in the matter of retrenchment. The General Purposes Committee have made detailed suggestions, and most of them have not been accepted, and Government have been going on in their own old way of maintaining the former scale of expenditure and the same standard of expenditure. This will not do. But when Government are pressed to do something and to reorganise the Departments, they appoint Committees like the Reorganisation Committee of Bombay which generally make suggestions which are appreciated neither on this side, nor on the other. I do not think that the Government should repeat that experiment. They have got sufficient experience how to reorganise, and, therefore, they ought to see that expenditure is reduced all round in every Department including the Military.

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Mr. Deputy President, I dealt with the subject on the last occasion at some length and I will, therefore, be as brief as possible. We still adhere to the proposals we made as regards retrenchment.

The question has been raised by the Honourable gentleman who moved this motion that, instead of effecting any retrenchment of the personnel, we should concentrate attention on the reduction of salaries. I do not think that a position like that can meet with the approval of the House generally. If there are superfluous officers on the staff of the Government of India in any Department, there is no justification whatever to maintain them in their appointments even in spite of the fact that there is unemployment in the country. Sir, it is quite possible to retrench the personnel to a fairly considerable extent, the personnel of superfluous officers, or more accurately speaking, officers who really could be spared in an emergency, without causing any great hardship to those men. There are a number of men in

every Department of the Government who have earned their pension or are on the verge of earning their pension. If we could get rid of those men, because of the financial situation, no real hardship would be caused to them, and, as regards the others, who have to be retrenched owing to financial necessity, it would not be difficult to provide compensation, reasonable compensation, which is all that they can expect. As a matter of policy too, the keeping of superfluous men, I mean men who really are not wanted especially when our financial position is so stringent, is a bad policy altogether. It is politically undesirable, it creates a tendency which none of us like.

As regards the reduction of salaries, I wish to remind the House that the procedure originally contemplated was that the General Purposes Sub-Committee and the Chairman of the various other Sub-Committees should deal with them. Afterwards the Government changed their attitude in this respect and deputed an Officer of their own to deal with the question. I think the Officer has been at work for more than a year or so and has drawn up, I understand, some sort of scheme. We were asked what we thought of that, and we made it quite clear that we could not be asked to be responsible for any scheme which the Officer, who had been posted to deal with the question, might have suggested. That is the only position we could take up in the matter. Some of us contended that to deal with a question like this, which does bristle with many difficulties, and I have had some experience of work of this nature, would take a fair amount of time and investigation in which all the provinces of India would have to be included if a popular committee were to deal with the subject satisfactorily. I say this, because it raises very difficult questions. For instance, the question of difference of pay between Indians and Europeans employed in the same class of work is a question of political significance and I am absolutely sure that, unless due care is taken to consult and conciliate Indian public opinion, there will be very great difficulty and there will be discontent in the services themselves. (Hear, hear.) It is a danger which has got to be guarded against, but any way that is a matter which will be dealt with in this House if the Government choose to place the official scheme before us. We have not been given by the Finance Member on this occasion what is the actual list of retrenchments effected by them or proposed to be effected by them in the various Departments that have been dealt with by the various Sub-Committees. We had some information on the previous occasion, but it has not been, so far as we know, brought up to date or, at any rate, placed before this House. So we are in a rather difficult position to deal with the question at the present moment. I hope the Finance Member will find it possible to give us all the information in detail regarding the retrenchments that have been carried out in all the departments,—the Civil Departments, the Foreign and Political Department and the Army Department—and as soon as possible, before the Finance Bill comes up, because, as we have already made it clear, we will have to deal with the Finance Bill to a great extent in the light of the reduction in expenditure that we can effect. (Hear, hear.) That is the position and I do not think I shall be justified in taking any further time of the House in this matter.

Mr. F. E. James: I do not want to occupy any time except what is necessary to make two points in regard to the scales of pay for future entrants in the services. Some of us have felt for some time that this matter is one of considerable urgency, and no doubt it is being dealt with as speedily as the complicated circumstances permit. We feel that as

[Mr. F. E. James.]

early as possible the position in regard to the future of the services in this country should be made perfectly clear in a way which is not at present made sufficiently clear, to those who enter the services from England. Possibly the proposals which, I believe, have been accepted by the Imperial Bank for a common basic scale of pay for all members of its newly recruited service may indicate the way in which this problem may be settled as far as the all-India Services are concerned. But, in saying that, I should like to put forward two points for the consideration, more particularly, of the Home Member. The first is this. While it may be true that some reduction is desirable and necessary in looking at the basic pay from the Indian point of view, I, and many of those associated with me, feel very strongly indeed that whatever scale is laid down it should be such as to continue to attract the best men both in this country and, where they are necessarily recruited from abroad, in England. A well paid service in the end is a cheaper service to the community. I would most strongly put forward the point of view that not only is efficiency of tremendous importance, but also incorruptibility of the services as we know it today is as essential, and that is only gained in any country by ensuring that the pay and prospects of the services are such as to continue to attract the finest type of manhood of that country.

An Honourable Member: What is the salary paid in England?

Mr. F. E. James: The second point is this. In regard to the pay of the new entrants to the services, I take it that the closest possible consultation will be carried on with the Provincial Governments, and I would like to explain the reason for this. I was a member of the Retrenchment Committee in Madras which recently went into the whole question of the pay and prospects of the Provincial Services, and the Government of Madras have now accepted certain proposals which were drawn up in some detail by an officer who was put on special duty for the purpose of examining the recommendations of the Retrenchment Committee in regard to the services. There seems a danger that one of the great blessings which the all-India Service has given to India, namely, a form of administrative unity, should be broken up seriously by allowing Provincial Governments to fix scales of pay for Provincial Services without necessarily having reference to the all-India scales of pay which will be fixed for new entrants to the services. Just to take one illustration of this difficulty that I foresee. Suppose you take the province of Madras, you find they have fixed certain scales of pay for certain services and yet in a particular service there may be a listed post which normally is filled by an all-India Officer. Suppose the pay of that all-India Officer filling that particular post is out of all relation to the pay which has been fixed for the services in that particular province, there will naturally be great heartburning on the part of the Provincial Services. The whole question is a complicated one and yet, as I can understand it, Provincial Governments are at present being allowed to come to definite conclusions on the question of Provincial Services and their pay for the future. I take it that the most careful consideration will be given to this particular point, because, unless it is given, I fear the danger that has been mentioned in some quarters already, of splitting up India into a series of almost independent administrative units, which have very little relation to the Central, dare I call it "the steel frame of the all-India" service in regard to pay and prospects. I should be grateful if the Home Member could throw some light on these points.

The Honourable Sir Harry Haig (Home Member): Sir, the debate this morning deals with three different topics, retrenchment, Indianisation and reduction of pay for future entrants. The question of retrenchment, I find, has to some extent been treated as a general problem and, therefore, goes rather outside my province. I have no doubt that my Honourable colleague, the Finance Member, will take some other occasion during the debates on the Budget to deal with any general points that may have been raised in regard to retrenchment, but there is one point I should like to make with reference to what my Honourable friend, Mr. Amar Nath Dutt, said. I think he credited my Honourable colleague, the Finance Member, with a remarkable feat in increasing taxation, did he say, to the extent of 140 crores. Groaning as we are under heavy taxation, I do not think we have approached that figure which represents double the present taxation figure.

Mr. Amar Nath Dutt: I meant the total amount.

The Honourable Sir Harry Haig: Now, with reference to this question of taxation. I think I have noticed a tendency among Honourable Members to ignore the fact that Government servants are also unfortunately tax-payers and, in fact, they are the most rigid tax-payers of this country. There is no possibility of a Government servant not paying the uttermost pie in his income-tax and Government servants, certainly those in the higher ranks, do contribute very considerably to the customs revenue. I hope, therefore, the House will bear in mind the fact that while we all regret heavy taxation, Government servants regret it as much as any other members of the community.

We have had some discussion as to whether retrenchment in the services should be carried out by the reduction of posts or by reduction of scales of pay. I am sure, the House will agree that there can be no case for retaining in Government service any officers whose service is not really required in the public interest, and that is the object to which the various Retrenchment Committees have devoted themselves. They have gone very carefully through the establishments and have endeavoured, wherever possible, to reduce the number of posts, but I do not think it is possible to reduce the number of posts very largely. The administration of this country for many years was carried on on a scale, I would claim, of great economy. A Government servant in this country is a hard worker. The Government expect to get very long hours of work out of him and they do get those long hours of work. I do not think there is very much to be done by reducing numbers unless we are prepared to adopt an altogether different standard of Government work. And that leads me to the point that Honourable Members perhaps hardly realise as clearly as we do, who are connected with the administration, what a very great burden of work is imposed on the Government services in this country by the democratic system which has been partially introduced in this country in the last ten years and will be carried further in the new constitution. There are many merits, Sir, in the system of Government by democracy, but I do not think that economy in the public services is one of those merits and, if Honourable Members expect to find such economy, I am afraid they will inevitably be disappointed.

On the topic of Indianisation, little was said and I think for a very good reason, and that is that in the great majority of services in this country Indianisation holds the field completely, that is to say, in all

[Sir Harry Haig.]

the Provincial Services and in the great majority of the Central Services it now rests with the Governments in India to recruit as they please, and the recruitment of Indians is the general and almost invariable rule. With regard even to the All-India Services, I hope the House will remember that there are only two of the great All-India Services or, if we count the Indian Medical Service, three, in which at the present moment any recruitment of Europeans continues. In the case of the other services, after the Lee Commission, the recruitment for some services was completely suspended or rather finally discontinued. In a few services, at the present moment recruitment is suspended pending the inauguration of the new constitution, namely, the Indian Forest Service and the Irrigation Branch of the Indian Service of Engineers, and the recruitment of Europeans only continues in the Indian Civil Service, the Indian Police Service and the Indian Medical Service. (*An Honourable Member*: "Railways?") The Railways are not according to our classification described as an All-India Service, but as a Central Service. It is perfectly true that the recruitment of Europeans still continues in the Railway Services, but in the great number of Central Services, Class I, the recruitment of Europeans has already ceased.

Now, I come finally to this very difficult question of the reduction of pay of future entrants into the services. As the Honourable the Leader of the Independent Party has reminded us, this was a question which came under the consideration of the General Purposes Retrenchment Committee, and, on the occasion of its last meeting, it was explained to the Committee that we had an Officer on Special Duty who was engaged in working out new scales of pay for future entrants into the services under the Government of India. That work, Sir, is approaching completion. The officer,—who has not, I may mention, been on duty for as long as a year—has devoted himself in the first place to the scales of pay for what are known as the Class I and the Class II Services. When those have been satisfactorily settled, it ought to be a matter of no great difficulty to devise new scales of pay for the future entrants into the subordinate and clerical services under the Government of India. In devising new scales of pay, we have to bear in mind certain essential principles. My Honourable friend, Mr. Amar Nath Dutt, suggested, I think, that it was possible to devise a scale of pay which, however low, would not involve the temptation of a departure from rectitude in the public services. There, Sir, I think, that the experience of the world is against him. A service which is paid on too low a scale almost invariably in all countries of the world is corrupt, but I do not mean thereby to assert that any particular scale is necessarily too low. We have got to find what would be a reasonable scale to attract men of the stamp that we require and to give them a life which can be regarded as reasonable and which they will live with contentment. We must see that we get suitable candidates for our services and that the pay bears some relation to the responsibility of the work. Now, those principles are, I hope, being borne in mind by the Officer on Special Duty. We have to devise, of course, scales which are suitable to the conditions of this country; and, taking up the point that was raised just now by my Honourable friend, Mr. James, I would say that it is essential, in fixing these new scales of pay, that we should fix them primarily with reference to the conditions in this country and not with reference to the conditions in any other country. Now, the Officer on Special Duty is in close touch

with the Provincial Governments, many of whom have already fixed new scales of pay for their future entrants and we are fully conscious of the fact that it is desirable to maintain—I won't say uniformity—but, at any rate, something like it, or at any rate to see that there are no glaring discrepancies, unjustified by local conditions, between the remuneration given in one part of India and in another for similar work. But, having said that, I would remind my Honourable friend, Mr. James, that the Provincial Governments of the future are going to be, to use the popular phrase, "autonomous units" (Hear, hear), and that we cannot expect to impose on them any uniformity of policy in a matter like the remuneration of their public servants. They must be left to determine that in accordance with their own judgment.

Therefore, I think we are pursuing the right lines here by dealing, in the first place, with the services under our own control, the pay for which can be fixed on considerations connected with conditions in India and, therefore, we are proceeding in the first place with the pay of the Central Services, Class I and Class II, and the subordinate and the clerical services. Honourable Members are aware, and it has been stated before in this House, that at the same time inquiries are being made in regard to the future scales of pay for the All-India Services, namely, the Indian Civil Service and the Indian Police Service. Those inquiries reveal certain difficulties. While it may be possible to reduce—and it is possible to reduce—the scales of pay on purely Indian conditions, we have got to bear in mind, as my Honourable friend, Mr. James, said just now, that, if we continue to recruit Europeans, we must get Europeans of the standard and character required and that unless we get them, it is no use recruiting Europeans at all. The question of what rates of pay will attract men of that type is one of fact, on which we must be dependent on the information we get from England. It is a matter on which the Secretary of State ought to be in a better position to form an opinion than we are.

As I said, inquiries have been initiated with the Secretary of State and we have not yet received any definite information from him. I would also remind the House that of course the final responsibility for determining the rates of pay for the All-India Services rests with the Secretary of State and not with the Government of India.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Does that apply to the future too?

The Honourable Sir Harry Haig: My Honourable friend was present at the Third Round Table Conference in which he had the advantage of me as I was out here. So far as constitutional proposals for the future are concerned, I think I must ask him to wait for another few weeks until the proposals of His Majesty's Government are published in the White Paper.

Well, Sir, I think I have dealt with the main points raised in this debate. The Government of India do realise the great importance from the point of view of the finances of the country of reducing the scales of pay for future entrants; and, as the House is aware, those who are at present being engaged in the Government of India services—the Central Services—are being engaged on the distinct understanding that their pay will be that which may be fixed when conclusions have been reached on the inquiries made by the Officer on Special Duty.

[Sir Harry Haig.]

One last word, Sir. I am sure that this House does recognise the admirable work done in all branches of the administration by the services throughout this country, and, I believe, under the new conditions, an honest and efficient administration will be, if anything, more important than it has been in the past. I look upon it as the very foundation of stability for the future; and, while, in these days of financial crisis, we must look to all possible economies, I hope the House will realise that an ill-paid and discontented service is not a good economy.

Mr. Amar Nath Dutt: Sir, I have one thing to say in reply to the Honourable Member. He said that Government servants were rigid tax-payers. No doubt they have to pay taxes along with other people of this country, but my point is that people outside the charmed circle of Government service do not get the high salaries which they get, and they have nothing to grumble, because their taxes bear an infinitesimally small proportion to their salaries while these outside people sometimes pay more than their incomes.

Then, Sir, with reference to the remarks of Mr. James about efficiency and incorruptibility, I would submit that in this country where we have never weighed the worth of a man by the salary he gets or by his earthly possessions, if the services are Indianised, it will not impair either their honesty or their efficiency. It may be otherwise with nations who have a different outlook of life and have a different culture. What I was pressing in this House was thorough Indianisation of all the services excepting those for which we need the services of experts. My submission was that all recruitment by the Secretary of State for India should cease and recruitment should proceed in India by the Government of India. And in view of the statement made by the Honourable the Home Member, I see that we are still far off from the realisation of that goal for which we have been pressing.

Sir, we find very often a man of the same or probably better intellectual calibre serving as subordinate to a man who has somehow or other secured a higher job. Take, for example, the case of the members of the Indian Civil Service who are appointed District Judges to hear appeals from judgments of experienced Subordinate Judges. I think those, who have any knowledge of the judiciary, will admit that when a Joint Magistrate is made a District and Sessions Judge, he does not know the a, b, c of civil law, far less is he competent to sit in judgment over experienced Subordinate Judges. All these things induce heart-burnings amongst members of the Provincial Services among whom there are men far more competent than those under whom they have to work. Sir, I expected a better assurance from my Honourable friend, the Home Member, in these three matters. On the principle, I think, we, on this side of the House, and they, on the other side, agree, that principle being that there should be retrenchment in service and salaries and also Indianisation. There has also been an admission that the pay of the future entrants cannot be the same as it is now. I welcome the admission of this principle and, in view of that admission, I will ask for leave of the House to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 77,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Executive Council'."

The motion was adopted.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will take up Demand No. 39—Army Department—in the afternoon, and the discussion will be centred on the cut motion to be moved by Mr. Muhammad Yamin Khan.

The Assembly then adjourned for Lunch till Thirty Five Minutes Past Two of the Clock.

The Assembly re-assembled after Lunch at Thirty Five Minutes Past Two of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

DEMAND NO. 39—ARMY DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The motion before the House is:

"That a sum not exceeding Rs. 4,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Army Department'."

Indianisation of the Indian Army.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I beg to move:

"That the demand under the head 'Army Department' be reduced by Re. 1."

Sir, a similar cut motion had been moved by me last year, and this subject of the Indianisation of the Indian Army has been attracting the attention of this House and also the whole of India outside this House for many years. There are certain features which we like to bring to the notice of the Army Department year after year. I will not touch upon the heavy expenditure which will come tomorrow to be dealt with on the cut motions of my other friends. I will confine myself to the strength of the Army and not to the retrenchment through Indianisation, but only to what should be the units and what should be the strength and how the Indian Army should be formed.

It cannot be denied and nobody can contest the question that the defence of a country must be made by the people of the country. No country can ever aspire to be self-governing without its own army. (Hear, hear.) If India has to depend upon the English Army for her defence, then India can never be suitable to be a self-governing country. (Hear, hear.) We can make India a self-governing country only at that time when we do not stand up for the help of the British troops. It may be said that at the present time the British troops are essential to keep internal peace and I will not contest this point at all, and I say that India requires in her present conditions the number of British troops that are there. But my point is this—how long will India require this? Are we going to take any step forward to make India realise its goal by having its own

[Mr. Muhammad Yamin Khan.]

Army led by its own officers? That is the only point which I would urge today and that is the only point which I want to place before the House.

My contention was, in 1923, when I moved a Resolution that in future all the recruitment in the Indian regiments should be from the Indians themselves. By that process I meant that within 22 or 23 years' time we might have had all the officers of all the Indian regiments Indianised. That was considered to be a slow process, but if we had entered upon that policy in 1923, then, by these ten years' time at least in all the Indian regiments we would have had by this time all the Indian Captains, though not all the Majors. Sir, on that point the then Commander-in-Chief, the late Lord Rawlinson, made an announcement that eight units would be at once Indianised. That came as a surprise to the Assembly as the Honourable Members did not know whether it would be beneficial to India or not. I did not at that time withdraw my Resolution, although I was asked by several Members to do so and I did not like to withdraw my Resolution, and now, after ten years' time, I realise that I was justified in not withdrawing that Resolution. I think, the system by which the eight units had been Indianised was not a good one and it has not been approved by the Indian officers or by the Indian public at large. I think the policy was not the right policy. What I demanded was that in all the regiments we should have the future recruitment from the Indian Officers only. I must pay credit to the British Officers who have taught discipline not only to the Indian soldiers, but also to the Indian Officers who have worked under them, and I want that the high tradition of the British Officers which they have acquired after many years and centuries in their regiments should continue and become the tradition of the Indian Officers who join the Army. Therefore, I did not like that regiments should be Indianised at once, but what I wanted is that a great deal of development should come in by that process of the Indian officers who join the Army as cadets beginning to learn and acquire the traditions of the British officers who have so nobly and so well acquitted themselves in India and elsewhere. I wanted that that tradition should be followed and that that sense of discipline should be acquired by the Indian cadets when they grew up under them, and under the direction of their Captains, Majors and Colonels they must acquire the same habit. If, by that process, an Indian cadet reaches to the position of a Colonel of his Regiment, then he should be in possession of the same tradition and sense of discipline as possessed by the English Officers. I wanted that process to be adopted and I still hold that that process should be adopted. I am not at all enamoured of the process and procedure that has been adopted now of separating certain units which may be called at present the depressed classes of the Army: because even now the Officers of those regiments do not, as far as I learn, like themselves to be singled out at all. No regiment wants that it should remain the only absolutely Indian regiment while the others are not. If there is an Indian Officer holding the higher ranks in the Army and if there is a British Officer holding a lower rank, I want that the latter should be placed under the Indian Officer and there should be no distinction between the Indian and the English Officers. The Indian Officer must learn how to obey the orders of his superior British Officers and, at the same time, he must know how to teach his junior British Officers also. He must be placed under the same category and there should be no distinction between the British Officer and the Indian Officer in the regiment. There must be fellowship. So long there has been very good feeling between the British Officers and the Indian

sepoys: there has been brotherly feeling and they have stood side by side: the Indian soldiers have shed their blood for the sake of the British Officers, and when they have been led by British Officers, they had full confidence in them; and I do not see why, if an Indian Officer comes up, there should be any distinction in the minds of junior British Officers, other than what the Indian soldiers and junior Indian Officers have for their higher British Officers. It must be the same position there, and the same confidence should be enjoyed by both sides. What we want is that only opportunities should be given to Indians. In the past, when Indians had their own way, they have shown that they were second to none. What they require now is only an opportunity to be given under present conditions. They are not lacking in martial spirit. The Indian sepoys and their sons are second to none in the world as far as their martial spirit is concerned. If they are properly taught and brought under the same discipline, I think they will be second to none as officers in future. The only thing is that they have not been provided with proper opportunity. The Indian sepoy is too poor to afford the cost of higher education for his son and to send him to Sandhurst or some military college. For this I must congratulate the Government for doing what they have done in the past. I went, purely with this object, to see the opening ceremony of the Dehra Dun Military College, and I was very much impressed by the discipline of the cadets who had entered only a few months before. Within this short period they showed themselves very well fitted and very capable. They are the greatest hope of India's future, and I think those boys, when they come and join the regular army, will acquit themselves as nobly as the British Officers have done in the past. This is a great step that has been taken and when the College has been opened for the training of the boys, I think a fuller opportunity should be given to a larger number, and, after they have had their training, I think all vacancies in Indian regiments should go to these boys only. I do not say anything about the British regiments—I shall not go into that question, because I do not want to mix up the question of what should be the strength of the British Army in India, with this problem. I shall confine myself to the Indian regiments. I only want that the Indian regiments should be officered by Indians only and I say that the Indians are quite capable of taking up this task: the opportunity is now lacking and when the opportunity comes they will justify themselves.

I was sorry to see that certain Indian regiments have been disbanded. Even for the sake of economy, even for the sake of retrenchment in military expenditure, I would be the last to advise the disbandment of the Indian regiments or of the Pioneers. The Honourable the Army Secretary quoted the figures of the people who had been retrenched recently: these people who were in those regiments and who had shown their good work during the last great war and who have been quite efficient cannot find any work nowadays in the country, if their regiments are disbanded. Everybody knows that the man, who enters the Army, deliberately chooses to do so; and, after he retires, he is not taken up by any other service: he is not taken into commerce or trade; he cannot enter any other profession and is left with the bare small pension which he gets. That pension is not sufficient for him to feed himself and his family, much less to educate his children. So I think this retrenchment by disbandment of regiments has entailed very great hardships on these sepoys and I would advise Government not to pursue this policy any further. If there is any necessity, I think another policy should be

1690

LEGISLATIVE ASSEMBLY.

[7TH MARCH 1933.]

[Mr. Muhammad Yamin Khan.]

adopted. Instead of disbanding and retrenching Indian regiments, which do not cost so much, it would cause no hardship or detract from the efficiency of the Indian army if only one British regiment is retrenched in place of five Indian regiments. Because disbanding five Indian regiments gives the same saving as the disbanding of one British unit can give. So I think it is a wrong policy and Indians must be given more opportunities to come up and to learn to defend their own country. The defence of India must be done by the Indians themselves; and as we are progressing, as the reforms are coming, we must learn by and by, gradually, to be fit to defend our own country and not to depend entirely upon the help of the British Government. As the civil administration improves, the military administration also must improve, and the military must become independent as much as the civil administration. It is no use having responsibility in the centre and full provincial autonomy without an army to defend our frontiers; and I think the policy should be adopted which would give us in the shortest period a fully equipped Indian army, officered by Indians alone, without depending upon British help. With these words I commend my motion to the House (Cheers.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Army Department' be reduced by Re. 1."

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I listened with great interest to the speech delivered by the Mover of this motion and I was wondering what his real object was. He first touched on Indianisation of the Army, next he touched on retrenchment in the Army, and then he touched on other matters, which I could not follow with any exactness. But to take the main purport of his speech, Indianisation of the Army, he quoted from the Rawlinson report, which was never accepted by the Government of India and which dates from 1923-24, nearly ten years ago. He quotes from that report, and, on that report, he has based his demand for Indianisation of the Indian army: in other words he means Indianisation of the officer ranks of the Indian Army.

Now, Sir, I was a member of the last Indian Sandhurst Committee, and I had the good fortune of being present at the Round Table Conference when the subject of defence was discussed, and I had the good fortune again, Sir, of taking part in that discussion, and so I feel I can talk with a little knowledge on this matter. The Honourable the Mover of this motion, in discussing the question of Indianisation, forgot a very important fact, and it is this. Indianisation of the Indian Army can really more correctly be divided into Indianisation of the rank and file and Indianisation of the officer class. To my mind, the greatest puzzle that faces this House and the country is the present policy of the Government, viz., while it is determined to de-nationalise the rank and file of the Indian Army, it is ready to nationalise the officer class of the Indian Army. In other words, the Indian rank and file of the Indian Army is closed to all communities, whatever be their past military history and traditions, whatever be their skill as soldiers, except the so-called martial classes—they have been entirely overlooked, in response to the policy of the Government, and so when you talk of Indianisation of the Indian

Army, you are really confining yourself to the Indianisation of an army so far as the North-West of India is concerned and little else. The Marathas are not included in such numbers . . .

Mr. S. C. Mitra: What about the Bengalis?

Lieut.-Colonel Sir Henry Gidney: The Madrasis are not included in such numbers. I may also mention that Anglo-Indians are not included in such numbers. I can also mention various other communities, the depressed classes, for instance. The pages of ancient Indian history scintillate with the heroic deeds of the depressed classes when they formed the main body of the Indian Army, and, yet, today all these communities are ostracised from the rank and file of the Indian Army. And when my friend, the Mover, talked about Indianisation, it seemed to me he was on the one hand denationalising the Indian rank and file, while, on the other hand, he agreed to nationalise the officer class. My friend, the Honourable the Mover of this motion, talked about more Indians being taken into the officer class of the Army. I am entirely with him, but, whereas, you allow the non-martial classes to become officers, you refuse admission into the rank and file to the non-martial classes, i.e., the non-enlisted classes. In other words, you are prepared to allow persons belonging to non-martial classes to become officers and to command regiments recruited from the martial races only—an anomaly. Where is the sense? If you intend giving India a chance to develop a national Army, you cannot begin by making it a communal conclave. You cannot say to one community "You cannot come into the rank and file, but you enter into the officer class". There is no sense in that, and I wish the Honourable the Mover of this motion had touched on this aspect of the matter.

But, Sir, in the Indian Sandhurst Committee, we decided on the enlistment of 60 officers per year. Now, at that rate it will, 3 P. M. I think, take more than 100 years before India can have an Indian Army Indianised in the true sense of the word so far as the officer class is concerned. I consider this too slow a rate. I consider that a larger number of officers should have been provided by the Sandhurst Committee. ("Hear, hear" from the Nationalist and Independent Benches.) Up till quite recently, Sir, the army has been a closed book to the Indian Members of this House. We have now been given certain information which the last Retrenchment Committee was able to acquire. But, Sir, that is nibble to a country that is thirsting, that is crying out for her own army. Sir, I speak on this motion as one who has every sympathy for India and who thinks that she should have, even if in the distant future, her own army. (Applause from the Nationalist Benches.) I consider, Sir, that in this important and vital matter a beginning and a serious beginning must be made today. It is much better to make an honest effort, even if you fail, than a camouflaged promise. You say to India—"I am going to give you Dominion status, I am going to give you an independent position",—and yet that very country will, for the next 100 years, not be able to officer its own army! Sir, I want to know what country will submit to such a long period of waiting. I do not say this in any carping spirit or with bad reflection towards the present Army. God alone knows what India would do without the British Army today and God alone knows what this country would do without the British Officer. He is the very back-bone of the Army. I am not one of those

[Lieut.-Colonel Sir Henry Gidney.]

who say that the British Officer should be replaced *en masse* by Indian officers, but I do submit that the recruitment of 60 officers per year to the Army is nothing else than toying with the situation. You should give a larger percentage, and so give India a real opportunity of sharing and knowing something about the defence of her own country. You cannot put off the question every year or every five years by saying: "You are inexperienced, in military matters and in defence, and so, I cannot give you this and I cannot give you that." A serious beginning must be made today.

The army authorities say they are Indianising a Division. Yes, Indianising a Division,—but how many years will it take to Indianise that Division and how many Divisions are there in the Indian Army in this country? How many years, I ask the Army authorities, will it take to Indianise the entire Army so that India, with her own Dominion Army, can say: "We have dominion status *in toto*, i.e., with our own Army"? Sir, we will be told, I know, that it will be a dangerous policy to go at a faster speed than we are going today. Sir, I am one of those who refuse to believe in the infallibility of any military expert. When Army Budgets are presented to the House of Commons, there are not such hide-bound discussions on it of voted *versus* non-voted items of expenditure, and action is taken on the vote of the House, and Governments are defeated and go out of office on the Army Budget discussion, but it is not so in this House. Today, for reasons, I know, that are in some ways necessary, certain parts of the Army Budget are closed to this House, but that should not deny India a liberal opportunity of getting to know more about her defence, so that, when the time comes for India to get Dominion Status, she will be prepared in every way to defend her country.

It may be said that India is not fit to take command of her army and I do not intend to enter into this matter. But what I do submit is this, that the Government should make a more liberal effort to Indianise the Indian Army by a larger recruitment of officers to that army. And I make this appeal to the Army Member,—and I make it with all earnestness,—do not compartmentalise your rank and file in the Army and call it an Indian Army. It is not an Indian Army. It is a communal Army consisting of a few selected communities who you, in your so-called superior knowledge, think are the only ones capable of defending this country. I do not say that they are not good soldiers. I say they are ideal soldiers, but there are others, and why shut the doors to them including Anglo-Indians? Why deny them that chance? In supporting the Honourable the Mover in his motion for Indianising the Army, I not only refer to the officer class, but to the rank and file as well. I, therefore, ask the Government of India to make a more serious effort than they have so far made to open recruitment in the rank and file to other martial classes and to give India a chance to know more about her defences and prepare herself so that, when the time comes for you to give her full Dominion Status, she will, by a process of dovetailing with those British officers who will be in service then and whose names will always be remembered with pride and gratitude, be able to take charge of her own defence and control her own National Army. Sir, as a son of India, I maintain, India has every right to this goal promised as she has been with her own Dominion Status and I want a serious and substantial beginning to be made now.

Mr. O. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, I must congratulate my Honourable and gallant friend for speaking like the good Anglo-Indian patriot that he has always been and showing thereby that so far as the question of the Indianisation of the Army is concerned, there is no difference of opinion among the Indians of whom he is one and has always claimed to be one. Sir, this fact, I believe, will be taken notice of by the Army Secretary when he rises to reply.

On the question of the Indianisation of the Army, there has been no difference of opinion among Indians. The difference of opinion has been between the Army Department and all that it stands for on the one side and the Indian opinion on the other in regard to the pace and the process of advance, for even they, I believe, believe in the Indianisation of the Army, but we do not agree with their method of Indianisation. They believe in the process of Indianising the Army by units, whereas we want them to Indianise the Army not necessarily by these units. This process of Indianising by units was once condemned by a member of the Skeen Committee who happened to be the Leader of the Independent Party, as creating what he described as "pariah units", introducing a kind of class distinction among the Army Officers which I understood at the time and understand has not been to the taste of the Indian Officers themselves.

We want the Government to visualise that as they are committed to a programme of developing self-government in this country, simultaneously with the progress of self-government, there must also be progress in the Indianisation of the Army, for Home Defence and Home Rule go together. The agitation in India out in the country, and persistent demand from these Benches for several years, have made British opinion think seriously on this question. So high an authority as Mr. Keith in his book on "Responsible Government in the Dominions" has dwelt on this question in these words, some of the ideas underlying which have already been summed up in his own inimitable way by my Honourable and gallant friend, but the quotation may be placed on record. Says Mr. Keith:

"The justification for this attitude (*that of the Government*) was, of course, the fact that India, specially vulnerable to attack through the growth of the strength of the tribes on the frontier, the doubtful friendship of Afghanistan which in 1919 launched an unprovoked and rather badly parried attack on India, and the advance of Russian power towards Afghanistan and Chinese Turkestan, must for long be defended by armies partly of British troops, partly of Indian troops with trained officers. The duty of training Indians as officers is still in its initial stages; race prejudice, which has been overruled as regards the Civil Service, in which arrangements were made in 1925 to increase steadily the proportion of Indians in the Indian Civil Service to fifty per cent., remains to be overcome in the Indian army. . . ."

And it is time that it was overcome in regard to the Indian Army:

"... Moreover, until India can dispense with British forces for her defence, the British Government cannot surrender to Indian hands the final control of policy."

We are not today dealing with the question of policy, but on the question of Indianisation there ought to be no dispute. Mr. Keith continues:

"British troops cannot properly be available for the suppression of unrest caused by misgovernment which British authority has not been able to prevent. But these considerations (*these words are worth noting as coming from an eminent authority*) should have rendered all the more eager the endeavour to open up military careers for Indians and to train the people to defend themselves as a necessary condition of self-government."

[Mr. C. S. Ranga Iyer.]

Sir, quotations can be multiplied, but it is time that the Government took courage in both hands and made an advance in this direction.

Even the Simon Commission, in their Report, said that "the experiment of Indianisation had not advanced nearly far enough to justify so considerable a departure from established organisation, and very serious questions would remain to be considered and answered as to the effect of combining the service of two kinds of military forces raised and controlled by two different authorities". I admit they write with a certain amount of caution in this matter, but even they, at a later stage of their Report, talked of creating a Dominion Army, and I do not know what has happened to their suggestion about the creation of a Dominion Army.

Mr. Ramsay Macdonald said in his book on "The Government of India":

"The Indian is proud to belong to the British Empire. Its greatness appeals to his love of pageantry, and its very remoteness from him endows it with a majesty which in all soberness does not belong to it. We pride ourselves on the peace and justice we have given to India, but they form only a barren soil for gratitude."

I want that the Honourable Member opposite, the Army Secretary, should bear this observation of His Majesty's Prime Minister in mind and not make the army question "a barren soil for gratitude".

Our own record in this matter is before the Government and before the Army Department. I need not multiply quotations by reading out what Lord Birkenhead himself had stated about Indian achievements on the battle-fields of Europe. If Indian soldiers could do so well as they had done, certainly there is military talent enough in India. Give them the opportunities which have not been given to them so far as adequately as we wish that they had been given. If Indians could display so much valour, so much talent, so much discipline, so much capacity for organisation and even leadership, I do not see why the Government should not come before us and say that they have a programme of rapid Indianisation of the Army. (Applause.)

Sir Abdur Rahim: Mr. Deputy President, my excuse for taking part in this debate is that I was a member of the Committee which was set up in order to establish a Military College. Along with me there were other exponents of Indian opinion including my Honourable and gallant friend, Sir Henry Gidney, and a majority of us, indeed with only one or two exceptions, came to the conclusion that the scheme which was adopted by the weight of official votes, or say, the expert votes of the army, was inadequate and was not in accordance with the recommendation of the Round Table Conference in pursuance of which recommendation that Committee was set up. The recommendation of that Conference was, I am not using the exact language, but it was to the effect that a Military College should be established in India in order to bring about Indianisation of the Army. But, Sir, the recommendation actually made on the strength of the official vote was to put off Indianisation as much as possible. It falls short even of the recommendation of the Skeen Committee and some other military authorities; it certainly did not conform to the principles which were enunciated by the Committee of which Mr. Muhammad Ali Jinnah was a member.

I belong to a province which has been condemned as non-martial and, according to the scheme propounded by the majority of that Committee, my province and some other provinces will have to remain in that condition for ever. It is rightly pointed out by my friend, Sir Henry Gidney, that it is absurd to draw officers from all over India and exclude the inhabitants of the major portion of the country from the rank and file. This is a scheme which, I do hope, will be given up as soon as possible. We find on the other hand that recruitment takes place to a very large extent outside the borders of India itself. There is no justification whatever for that. Three of us at least, and I believe some other members also, though I am not quite sure upon the point, three of us, Mr. Chotu Ram of the Punjab, Principal Mukherjee of Delhi and myself entered a strong protest against this arrangement. We pointed out that if we are to have an Indian national army as recommended by the Round Table Conference it is absurd that you should go on recruiting so largely from outside the borders of India—I mean for the Indian Army for purposes of defence of our country, India. If the military authorities go on recruiting men and training them from outside the borders of India, we have to consider what will happen if we have trouble with our neighbours. You may have treaties now and everything may be quite peaceful, but you cannot rely upon that always. We, therefore, pointed out in no doubtful language that it is absolutely an anti-Indian policy to recruit men from outside the borders of India. That recommendation has also been treated as not worth considering.

So far as the bulk of India itself is concerned, the recruiting officer never goes there. Is that fair? If we are going to have a self-governing India, if we are to have provincial autonomy, is it not right that the inhabitants of each province should have a chance of being trained for the Army which is responsible for the defence of the entire country including all the provinces? What has happened, therefore, is the tradition of the Army has been forgotten in the greater part of India. Is there any good reason, why should the greater part of India be left in that condition? I admit freely and frankly that there is much more abundant material in certain provinces than in the others, but if you have scantier material in some provinces, the military authorities should take advantage of whatever material they think can be suitably selected from those provinces and give these men a chance. Further, if you stop recruitment from outside the borders, the very province, which now sends recruits to the Army, will have a better chance than they now have. Take, for instance, the Punjab. In spite of the large contribution they are making at present to the Indian Army, there is much more material available there than has been absorbed. I do not think anybody can deny that. The policy that has been pursued in this respect is one which, to my mind, cannot at all be justified. We made a very modest suggestion to make a beginning. Let the recruiting officers have a chance of selecting whatever material they find suitable in the so-called non-martial provinces. Start with a small company, if you like, any small unit you like. Mix them up with the others or form them into separate units but give them a chance. We feel strongly that to deny them a chance is a bad policy, a retrograde policy, a policy which cannot be too strongly condemned.

We are looking forward to the time when India will be completely self-governing and self-government can have no meaning, as has been pointed out, unless we are masters of our own defences. Where is the

[Sir Abdur Rahim.]

policy which, if pursued, will make us masters of our defences? Surely it is not to be found in the report of the majority of the Military College Committee nor in the policy that is being pursued by Government at present and has been pursued in the past for some time. The defence should be entirely under our control. It may not be attained within the next few years, but surely, it ought to be at no distant date. It is idle to think of self-government if we cannot control the policy of Government in this important aspect. Take, for instance, military expenditure and military policy generally. We cannot control it unless we are given a chance of undertaking the defence of our own country.

I do submit and I do hope that those friends of ours who have been to the Round Table Conference and who may go there again will take up this question in right earnest and, in clear and unmistakable voice, tell the British Government that unless they pursue a proper policy of Indianisation of the Army in its true sense, the proposed Constitution will not give us that self-government which all parties in the country and all sections of the population are looking forward to. We are not extremists. We do not want to hasten things unduly but we do want that a proper beginning should be made and that beginning should be pursued to its logical conclusion.

*** Captain Sher Muhammad Khan Gakhar** (Nominated Non-Official): Sir, I rise to support this motion. There was a time in the history of the Indian Army when we used to be allured with a Commission by the Viceroy. There was no opportunity in those days for us to show our worth in higher command. We could not take any initiative and all that was expected from us was to command half companies in the field and keep peace in the lines. British officers at a time like this did not foster a sense of responsibility in us. We served and obeyed orders in that position for nearly a century. It was during the Great War that we were recognised fit for responsible duties. There were occasions when Indian Officers, handicapped as they were, found themselves in command of companies and even a battalion and gave good account of their temporary and forced leadership. It was, therefore, in 1918, that the first attempt to prepare us for King's Commission was made. The Indian Military School, known as the Daly College, Indore, was started, and 45 cadets came out successful. I am proud to be one of them. They were distributed in different centres of activities and it is not for me to say how they acquitted themselves. But I must confess that some of them could not bear the strain of the hard life and soon said goodbye to the Army or tried to go into side services. After this Government changed their policy and only 20 cadets were sent every year to Sandhurst. This was only a drop in the ocean and at that rate you could not Indianise the Army even during the whole century.

Recent events are within our memory. A searching inquiry was made by a Committee of which I had the honour to be a member, and a scheme was devised to open a Sandhurst here in India. Sir, whatever Government may do in other Departments—they may not fulfil their promises, they may even delay action there—but, in this respect, thanks to the sincerity and decision of character displayed by H. E. the Commander-in-Chief, we cannot complain of any delay. The Academy has been

*Speech not revised by the Honourable Member.

opened and our boys are now being prepared for the responsibilities awaiting them. Boys of all classes have been admitted and each community has got a chance. Sir, I would not touch controversial subjects now. Suffice it to say that we are grateful to Government for this beginning. As the Commander-in-Chief happens to be a man of strong common sense and business, we will get our full dose and it will be a great success. Those of us who were present at the formal opening of the Military Academy, Dehra Dun, last November, realize that the sincerity of purpose of those, who are in charge of this experiment, is beyond question. They are most sympathetic and earnest workers. Our complaint is not that we are not being given our dues there, but after seeing such a good Academy at work we are not satisfied with this small beginning. The speed should be accelerated and more men admitted. Please do not keep us under trial or observation for ages. (Hear, hear.) We are thoroughly loyal and can produce the finest material for the Army, but give us a chance for the expansion of the College. We do not grudge extra expenditure. We can give up this sum of Rs. 100 and can also vote lakhs more if you will just give us a promise that you will go more rapidly. (Hear, hear.) With these few words, Sir, I commend this motion in the hope that a satisfactory answer will come. We cannot censure the Army Department as they have fulfilled the promises they made on the Sandhurst Committee, and they do not seem to delay reforms in their Department. (Applause.)

Mr. B. V. Jadhav: Sir, I heartily support the motion of my friend, the Leader of the United India Party. In the first place, I have to say that I am very proud of the Indian Army and also of the Commander-in-Chief who is at its head (Hear, hear), and I offer my congratulations to him upon the recognition of his worth by his promotion to the rank of Field-Marshal. (Loud Applause.) It is also a great honour to India that from the time of the Great War its Commanders-in-Chief have generally been holding the highest rank in the Army and it is a fitting recognition of the brilliant services of Sir Philip Chetwode that this honour has been conferred upon him.

Now, the present subject is the Indianisation of the Army and my Honourable and gallant friend, Sir Henry Gidney, has raised the question of Anglo-Indian recruitment. Anglo-Indians, Sir, from the mother's side are Indians and, therefore, we do not grudge their claim that they should be taken into the Indian Army. From the father's side, Sir, they have, however, acquired very expensive habits (Laughter)

Mr. F. E. James: And sometimes from the mother's side too.

Mr. B. V. Jadhav: and, therefore, the meagre salary that is paid to the Indian soldier will not attract them

Lieut.-Colonel Sir Henry Gidney: Quite right.

Mr. B. V. Jadhav: and I suggest that they should be considered as units of the British force and be paid on that scale. (Lieut.-Colonel Sir Henry Gidney: "Hear, hear.") That will be just to them and it will also please us. I do not grudge that; I am very generous, Sir, in that respect.

1698

LEGISLATIVE ASSEMBLY.

[7TH MARCH 1933.]

[Mr. B. V. Jadhav.]

Now, my Honourable and gallant friend has also raised another question that the Indian Army should be recruited from all over India and that the recruitment should not be confined to a few martial races only. I need not say that I agree with him, but I want to go more deeply into that subject. India, Sir, fell a prey to the foreign invaders, because our learned forefathers and lawgivers had made the mistake of dividing the people into four divisions—the Brahmans, the Kshatriyas, the Vaishyas and the Sudras. It was the duty of the Kshatriyas alone to fight, and in that way the military caste was created. But when the invaders came and there were constant and insistent wars and the Kshatriya community was decimated gradually, then the defences of India crumbled down and India became a dependent and conquered nation.

Mr. Gaya Prasad Singh: This is not history.

Mr. B. V. Jadhav: If this is not history, what, I ask my friend, Mr. Gaya Prasad Singh, is history? Well, the Kshatriyas always fought well, there is no doubt; but then their numbers were not sufficient to cope with the various invaders and then ultimately India had to come under foreign rule. Now, I am afraid, England is committing the same mistake again by creating this distinction between martial and non-martial classes. I need not pursue the subject further, but I agree with the Leader of my Party in raising a protest that the tribes beyond the Frontier should not be recruited. We are in this way creating and strengthening our possible enemies. They are our friends today....

Captain Sher Muhammad Khan Gakhar: May I ask the Honourable Member what he means by "frontier tribes"? Does he mean Gurkhas and others living beyond the Indian frontiers?

An Honourable Member: Gurkhas, Afridis, etc.

Mr. B. V. Jadhav: Those who are not British Indian subjects are people beyond the frontier. And I say that although they are our friends today, there is no knowing when differences will arise. Hunger, Sir, is a very great force and when people have not got anything to eat, they will rush on the plains in order to fill their bellies. Then the ties of friendship will be severed in no time. Therefore it is not desirable that these tribes living on the other side of the frontier should be recruited into our Army and should be given training and equipment with which they may perhaps on other occasions fight against us.

Now, as regards the more important and more serious question of Indianising the Army in the officers' rank. An insistent demand was being made that the commissioned ranks of the Army should be thrown open to Indians. But this question was shelved from time to time, and it was only on the termination of the War that that question was seriously taken in hand. Committee after Committee was appointed. They submitted their reports. Some of these reports were published, and others were suppressed; but no serious action was taken on any. One Committee, whose report was published, recommended that a Military College might be opened in 1933. But the hands of the clock moved faster and, thanks to the efforts of the Round Table Conference, England had to take up the question of starting a Military College in India at

an earlier date, and I am very much obliged to H. E. the Commander-in-Chief that he has seriously taken up the matter in hand and fulfilled the pledges and opened the Academy in 1932. (Applause.) At present only 30 cadets are admitted to the Academy every six months,—60 cadets every year. But the wastage in the Indian Army is about 120, which is exactly double this number. But, at the same time, Sir, the new policy that has been accepted by the Government of India of doing away with the Viceroy's Commission will raise this wastage to a very great extent. Now it is 120, and it will be 280 in future. In order to cope with that wastage, larger numbers will have to be admitted to the Academy. At present admission to the Academy is 60 cadets every year out of which 30 are recruited by direct recruitment, i.e., by competitive examination, and 30 are selected from the ranks. Before this Academy was started, some ten vacancies at Sandhurst every term were made available to Indians. But at that time the soldiers serving in the regular army had no chance of rising to the commissioned ranks. In all these seven or eight years, only seven cadets were sent to Sandhurst from the ranks. But at that time perhaps the standard of education in the Army was not adequate for making the cadets fit for higher military education. Now, under the present conditions, 15 vacancies are reserved for men serving in the ranks every term and 15 by direct recruitment.

Now, Sir, as to the question of the material from which these cadets are drawn, Mr. Young, the Army Secretary, last year in answer to a question by my Honourable friend, Kunwar Hajee Ismail Ali Khan, gave a reply that the total up to date sent to Sandhurst was seven, one of whom was over 25 years of age; the figures given at the end of paragraph 13 of the Indian Military College Committee's report appear to be incorrect. Then, part (c) of the question was in these terms:

"Do Government propose to waive the condition of age in the case of those Indian Army Cadets who are members of the regular units of the Indian Army and of the Auxiliary and Territorial Forces? If so, to what extent? If not, why not?"

To that the answer was given:

"It will not be necessary to do so, since no difficulty is now anticipated in obtaining a sufficient number of Indian Army Cadets below the age of 25 years."

So, Sir, the Army Secretary has admitted that the supply from the Army through the ranks is adequate and, therefore, there is no necessity to lower down the age limit of 25. Now, Sir, I read in today's paper that a Resolution was moved in the other place only yesterday by the Honourable Sardar Jagannath Maharaj recommending that the number of cadets admitted to the Indian Military Academy should be increased by 50 per cent. Various Members supported it, and the report says:

"His Excellency Sir Philip Chetwode replying on the debate said that the present policy of the Government regarding the rate of Indianisation was fixed after mature deliberation by His Majesty's Government and the Government of India and that policy could not be changed at a moment's notice. The present rate of admitting 60 cadets every year to the Indian Military Academy was enough to meet their requirements for Indianising a complete division of all wings."

That is one point. This means that according to the Commander-in-Chief, if cadets sufficient to fill the lower ranks in that Indianised Division are sufficient, then no more speed is required. This side of the House cannot accept that proposition. We say, we are demanding Indianisation of the Army. First of all, there was a scheme of Indianising eight units. Nobody on this side was enamoured of it and nobody

[Mr. B. V. Jadhav.]

supported it. That scheme has now been abandoned and now a whole Division is going to be Indianised. My friend, the Honourable the Mover of this cut, has shown how this is creating a caste and, therefore, how this scheme of Indianisation by reserving certain units for Indians under British officers is an invidious one and an injurious one, and, therefore, I need not go into that question. But, Sir, the reply given by His Excellency the Commander-in-Chief was:

"He, as being responsible for the safety of India, felt that they were taking a risk in the present rate of Indianisation, and could not recommend any increase in the rate just yet, because there was not enough supply of educated young men, with the necessary amount of fighting and leading traditions behind them."

I may point out that a competitive examination is held every six months and last time when there were 15 vacancies, 250 men had applied; and I think when 15 were taken, and if the rate was to be increased by about 50 per cent. only, then seven more suitable men could have been found easily from candidates that were rejected. And, as for those who were taken from the Army, I was told that when 15 were taken, no less than 60 eligible cadets were recommended by their Commanding Officers. So, in respect of these cadets also who are taken from the Army, there is no fear of inadequate material.

One point more. Yesterday the Commander-in-Chief said:

"He was not saying that the material they were now recruiting would not make good. Indeed, their young Indian officers were showing great promise. But the time to judge of their success would come ten years hence when they came to lead squadrons and batteries. At present the seniormost of them had put in only eight years' service, and they would come to command appointments in another ten years."

So, according to the Commander-in-Chief, 18 years' service experience is required to see whether the Indian officers are fit for anything or not. I would only read a small passage from the Report of the Indian Military College Committee where, in opening the Committee, His Excellency Sir Philip Chetwode said:

"At the present moment, the young Indian officers in the eight units have seven years' service. That is obviously not long enough for us to tell whether they are going to be fit to administer and train a unit in peace and lead it in war. In seven more years, however, they will have had fourteen years' service, and by that time I feel pretty certain we shall be able to give a definite opinion whether they are going to be a complete success or not."

On that occasion it was, I think, in the year 1931, His Excellency the Commander-in-Chief thought that 14 years' experience was quite enough to enable him to assess the value of the Indian cadets. Now, yesterday he was asking for 18 years' experience. So I do not think whether during this short period of a year and a half the Indian cadets have done something to lower themselves in the estimation of their officers. If now 18 years' experience is wanted it means that according to the Commander-in-Chief no more advance in the number of admissions to the Academy need be expected for the next ten years. Sir, I think this boast of accelerating Indianisation and that the British Government are very eager for Indianisation and so on and so forth will be merely wordy promises. I think yesterday's reply of the Commander-in-Chief in the Council of State is a great damper on our enthusiasm and I hope His Excellency the Commander-in-Chief and the Army authorities will revise this opinion of

theirs and see fit to Indianise the Army at a faster rate. At all events they should accommodate a larger number of Indian cadets into the Academy, if not now, a year hence.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): Sir, Honourable Members on this side of the House, and I venture to hope that Honourable Members on the other side of the House, are agreed on the policy of Indianisation of the Army. But the point of difference that arises between the two sides of the House is as to the pace and degree of Indianisation in the near future. As the Honourable Mr. Jadhav has pointed out, His Excellency Field-Marshal Sir Philip Chetwode, upon whose new honour we all congratulate him, gave a very disappointing reply in another place and it has added a point to the subject of debate this afternoon. We should have hoped that after the conclusion of the three Round Table Conferences in which the policy of responsible government, both in the Centre and in the Provinces, was acceded to, the question of Indianisation of the Army as well as the question of the Indianisation of the Services will engage the serious attention of those responsible for the Military policy of this country. But while on the civil side we have at any rate promises, if not fulfilment, of an early Indianisation of the Civil Services, we are not receiving the same hopeful response in regard to the Indianisation of the military services, and Honourable Members occupying the popular Benches in this House are, therefore, anxious to ventilate their grievances and emphasise the point.

[At this stage Mr. Deputy President (Mr. R. K. Shanmukham Chetty) vacated the Chair, which was occupied by Sir Abdur Rahim.]

The point which they wish to make with the adumbration of the new policy in the Government of India is that the people of this country desire and demand that there should be a rapid Indianisation of the military services. We have been told that we are making headway with the Indianisation of the military services. A Military Academy has been established at Dehra Dun. We are all glad that it has been established, but you take only 60 cadets per year and at that rate I should like to ask our champion mathematician on this side how many years it would take to Indianise the entire Indian Army. (A Voice: "He is not here.") I understand that there are about 7,000 officers in the Indian Army and it does not require a very complicated arithmetical process to come to the conclusion that it would take several hundred years, certainly over a century to completely Indianise the Army, if you are going to limit the number of Indians for admission into the Academy at Dehra Dun. We have been told that the primary and prime test for efficiency in the Army is efficiency and that the fighting and leading qualities must be judged and a tradition created before we can embark upon a large policy of Indianisation. If that be the condition precedent, we shall have to wait for the advent of many wars and they may not come in our generation. Sir, in this regard we can take a lesson from the history of the other nations of Asia and Europe. In the Great War we know with what celerity the great island Empire of Japan prepared her military forces, and, in an authentic book published under the aegis of the military authority in that country, it was pointed out that an ordinary cooly, who used to drive a rickshaw after three months training became a soldier and gave such a good account of himself that they were able to turn the rising tide of Russian aggression in

[Sir Hari Singh Gour.]

Manchuria. It is the opportunity that brings out the man, and if India is to have a proper share in the defence of her country, you cannot discriminate between the so-called martial and non-martial races. Sir, I myself belong to a martial race, and I can, therefore, speak with a certain degree of detachment when I plead for the enlistment of all communities and classes, because I believe that by the relegation of military services to a few martial classes you starve the other classes from their rising to the just aspiration of taking their proper share in the defence of their country. Traditions are built up. Martial quality is a matter of habit and training. A man is not born martial; he can be made martial, as indeed he has been made martial in the other countries, one of which I have referred to in my speech. I, therefore, submit that we really want the orientation of a new policy in regard to the Indianisation of the services. We do not want a system of doles of 30, or 40, or 50 and we complain that this hesitating policy must give place to a bolder policy of Indianisation on a mass basis.

Honourable Members are aware and, in fact, that point has been emphasised by several Honourable speakers on this side of the House that the conception of self-government in this country, and, indeed, in any country, would be incomplete without the necessary equipment of self-defence by the nationals of that country. If India is to take her place as a self-governing unit of the British Empire, it is the first duty of the British Government to see that the Indian people are given every facility and assistance in Indianising the service and in creating an army which would be able to defend her borders against external aggression. Military authorities for some time past have been predicting of war imminent in a theatre not far from the frontiers of India. We have been assured and in the military journals the fact is emphasised that the next great war would be somewhere not far from the outskirts of India. If so, what preparations is India going to make to meet this menace, a menace which has become far more formidable, far more dangerous and requires a better equipment than what India was able to afford in the Great War of 1914? The equipment of those days would be voted as antediluvian by the military expert of today. More brains, more driving power, greater initiative is now required, and do Indians lack in any of these qualities which are now called for in a good efficient soldier? It may be that they may be deficient in muscles or in physical strength, but those were more necessary in the days of bows and arrows. The battles of today and tomorrow will be fought on a different scale and call for leadership of a different kind; and it is necessary, therefore, that the military authorities should take into account the fact that no mercenary army, however efficient, will be able to cope with the threatened danger with the same patriotism, enthusiasm and courage as those who are fighting for the defence of their hearths and homes. That is the vindication for a complete Indianisation of the Indian Army and it is a point upon which, as I have said, there need hardly be any difference of opinion between the two sides of the House.

My Honourable friend, Sir Abdur Rahim, has struck an extremely cautious and, I venture to submit, a very wise warning, that you should be careful not to arm your potential enemy by enlisting them into the

Indian army, because the first duty in India is to see that the Indians are armed and that allegiance to the British Crown should be made a condition precedent to enlistment in the Army. My friends on the other side, and I am afraid a few of us on this side, are often apt to forget a very great source of recruitment, the educated classes in the Indian Universities. Honourable Members on the other side know that the great Universities of Oxford and Cambridge, of which I have some knowledge, and I believe the other great Universities of the United Kingdom, have got their Officers Training Corps, and officers and students and undergraduates get commission in the army by direct recruitment therefrom. It was hoped that when the Indian Universities Training Corps was established, the Universities would be encouraged also to supply their quota of officers to the Indian army. In that the Universities have been sadly disappointed, so that it cannot be said that there is any paucity of material for the officering of the Indian Army. My friend, Mr. Jadhav, instanced the case where for a few vacancies there were about five or ten times as many candidates; and I submit that the middle classes of this country have now been thoroughly roused to a sense of their duty to the nation and they are looking forward to the day when, with the wider opportunities given to them for the defence of the country, they will be able to serve loyally and faithfully, and, I am sure, courageously, their King and country. These are, therefore, the reasons why we are pressing for a bolder policy than that which has been initiated hitherto and followed by the protagonists of the military policy in this country. It may be that Honourable Members who adorn the Treasury Benches have not the necessary power to give effect to their own views, though they may accord with the views of Members on this side of the House. I am fully aware of it. I know how one distinguished predecessor of the present Commander-in-Chief struggled hard for the liberalisation of the policy in favour of greater Indianisation, and I know what disappointment he encountered from the vested interests in Whitehall and elsewhere, but I hope that that opposition is now crumbling and with a bolder policy recommended by the Government of India, we should certainly be in sight of an Indianisation that would gratify Members on this side of the House, conducive to larger economies in military administration, and, I am sure, would not in any degree diminish the fighting quality of the Indian Army.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Sir, the question of Indianisation of the Indian Army is an old one. At least for 4 P.M. the last fifty years this question has been agitating the minds of Indian politicians. I must here confess that we, who belong to the martial classes, did not take part in the early agitation on this question. . .

Mr. S. C. Mitra: Does every one in the Punjab belong to the martial races and every individual of the agricultural classes also? (Laughter.)

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Come and settle in the Punjab. Sir, our reason for not agitating against this was this. Firstly, we had the monopoly of the service in the Indian army, and secondly, we had the Viceroy's Commissions to which all middle class people could aspire. Now, the first condition has been taken away by admitting non-martial classes to the officer class and the second condition has also been

1704

LEGISLATIVE ASSEMBLY.

[7TH MARCH 1933.]

[Hony. Captain Rao Bahadur Chaudhri Lal Chand.]
done away with by the announcement that in future the present Viceroy's Commission will cease to exist. Therefore, the middle class people will have practically no chance to aspire to the position which they hitherto attained in the Army. I would not here repeat the arguments that have been advanced so ably by other Honourable Members from all sides of the House. All that I want to submit is that this motion, unlike other motions, is not a motion against extra expenditure, but it wants the Army Department to spend more money on the Military Academy. Those of us, who went to Dehra Dun last November, came away fully satisfied with the arrangements there, and our only complaint now is that the beginning is much too slow for a big country like India. We do not want to retard the progress in any way. All that we want is that the *caravan* of today should not pass at the camel's pace. This is an age of motor cars, and aeroplanes are coming into greater use in this country. The old time honoured bullock carts have been replaced by the Commissariat Department's motor cars, and so the caravan of all activities in the Army Department should go at a higher speed.

Sir, the Army Secretary was very considerate when he, the other day, accepted the proposal to have an informal discussion over the Pension question of the discharged soldiers. I hope he will now give the same considered reply which will satisfy all parts of the House and which will be in keeping with the present times.

One word about the question raised by my gallant friend, Colonel Sir Henry Gidney. I have noticed that whenever there is a question of Indians getting any thing, he comes to our side; but whenever there is something to be secured by Europeans, he goes to their side. I for one welcome him as an Indian. He expressed, for the non-martial classes, a desire that they should be recruited for the rank and file as well. . . .

Lieut.-Colonel Sir Henry Gidney: I challenge you to prove an instance when I showed a two-sided view on Indianisation of the Indian Army.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: He has asked for the recruitment of the non-martial classes including his community to the rank and file of the Indian Army. But I doubt, if his community will serve on the pay an Indian sepoy gets. Be that as it may, I think the best opportunity for him and for his other comrades was to make the suggestion in the year 1915 when the German War was on. At that time they kept quiet, and we recruited battalions not once, not twice, but in some cases three times. . . .

Lieut.-Colonel Sir Henry Gidney: We gave 80 per cent. of our community to the Great War. If you or any other Indian community can prove that you have done so much, I will take my hat off.

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Certainly, I could supply more men if they were wanted in those days of trial. There was a doctor belonging to the brotherhood, not in religion, but to the brotherhood of my gallant friend, as a doctor, who made a formal offer to the Punjab Government, and the then Governor of the Punjab told me that when this doctor was asked to take charge of a hospital in his own town, he considered the question for several days because he thought that that was

the thin end of the wedge; and that the letter would be followed in about a month's time by a railway pass to Bombay, from where he would be shunted off either to Kut to look after the comforts and requirements of General Townsend or to some other front, and the reply that that doctor gave to the Punjab Government in writing was: "Sir, it was a formal offer, and I could not take over charge of this hospital".

Diwan Bahadur A. Ramaswami Mudaliar: May I ask my friend to say whether the hundreds of medical men that were recruited during the war ever belonged to the martial classes?

Hony. Captain Rao Bahadur Chaudhri Lal Chand: Some of them belonged to non-martial classes also, but if other examples are wanted, I would refer to the record of the Bengal University Corps or the Bengali Regiment that was raised and that record will supply an answer. Nearer home, I may quote an instance from the Punjab. There was a demand from certain friends of the non-martial classes to give them a chance. One gentleman practising in the Lahore High Court gave the Governor of the Punjab a list of 75 educated persons who were prepared to go to the war, but there was no chance for them. When this was going on, an announcement was made that the Calcutta University was raising its University Corps. There was a similar demand in the Punjab also, and the Government of the Punjab issued a communiqué that the Punjab University was also allowed to raise a University Corps on the understanding that it should be recruited from non-martial classes. What was the result? Most of those who joined that Corps either belonged to the Islamia College, Lahore, Khalsa College, Amritsar, or to the Jat High School at Rohtak. We were privately told by the Government that the scheme was failing, that these non-martial people were not coming forward, and that the honour of the Punjab should be saved. Sir, the honour of the Punjab was saved by sending martial class educated people to fill up the ranks. There are a number of other instances, but I do not want to quote them now. Suffice it to say that for the purposes of this motion we are all agreed that the speed should be accelerated.

One word, Sir, about the recruitment of non-martial classes. A demand has been made that they should be given a chance in the rank and file also. Sir, in 1923, this very Assembly passed a Resolution that officers in the Indian Army should be recruited in proportion to the number of recruits each community supplied during the war, and I for one am prepared to stick to that. Let one unit be separately raised from non-martial classes,—of course with a hint that they will have to go to China or out of India, and, I am sure, they will not be able to fill those ranks. But why quarrel over this question? The officer ranks have been thrown open. We do not grudge that, and we do not say that you should not be recruited to the rank and file also. Already Madrasis have got a chance in the artillery

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Do you suggest that martial classes alone should be preferred to fill the higher ranks of the Army?

Hony. Captain Rao Bahadur Chaudhri Lal Chand: There is no question of preferment. We are not there by any special favour of the Government. We are there on account of our efficiency, and there is no department of Government's activity in which efficiency plays such an important part. Efficiency is the soul of the Indian army and cannot be played

[Hony. Captain Rao Bahadur Chaudhri Lal Chand.]

with. Our efficiency has been tried. I am sure, His Excellency the Commander-in-Chief will not allow the experiment, that was tried in Kashmir once when they raised an army of Kashmiris which had to be disbanded, because the Commandant asked the Maharaja to give him six Sikh sepoy to guard the armoury at night, to be repeated in the Indian Army.

Sir Cowasji Jehangir: How many of the martial classes have commanded regiments up to now in India?

Hony. Captain Rao Bahadur Chaudhri Lal Chand: That is our complaint. But as my Honourable friend, Captain Sher Muhammad Khan Gakhar, has said, some of us were forced by circumstances to assume command during the War, because when senior officers died, the junior officers had to take their place and those officers who were placed in that position acquitted themselves very well. I know of one officer who was in charge of a whole unit as Subedar Major for several days and the accounts, that the British Officers of his unit gave of his temporary stewardship during that period, were most satisfactory. I think that this is not a point on which non-martial classes should be at issue with us. They should be proud of our records. They should quote these as examples. They should say: "Whereas these illiterate people, these backward communities, when they got a chance, acquitted themselves so well, why should we, the educated people, not do as well or even better?" Instead of quarrelling with us, you ought to bring forward this argument. Now, all that I wish to say is that we do not want to curtail expenditure. This is not a censure motion upon Government for extravagance. All that we want is that they should spend more on the Military Academy at Dehra Dun, and probably our enthusiasm for this has been aroused by a visit to that great institution. If they had not taken us there, probably we might have been under the impression that our boys must be treated shabbily. But now that we have seen with our own eyes that the officers there are most sympathetic and the boys are being trained in a most sympathetic manner and are sure to turn out real leaders of our future army, there is not a single demand on which this Assembly will be prepared to vote money more easily than on a demand for extra expenditure on this college. And that reflects the greatest credit not only on His Excellency the Commander-in-Chief, but on all the officers that are contributing towards its success. With these few words, I hope the Assembly will accept this proposal.

Maulvi Sayyid Murtuza Saheb Bahadur (South Madras: Muhammadan): Now that the line of demarcation between martial classes and non-martial classes has been obliterated by the martial races themselves, I confine myself to a few remarks. When these gentlemen claim to be members of martial races, I also want to say that I am the direct descendant of Sayyid Abdul Ghaffar Shahced who was the Commander-in-Chief of Tipu Sultan. Yes, Sir, I will be very glad to see the non-martial races also come up and defend their own country. Otherwise we will be doing a great injustice to them. As regards Indianisation, one point has to be considered very carefully. Indianisation means curtailment of expenditure, which means enhancement of our credit throughout the country to a greater extent. The other day the Finance Member laid great stress on the point that the military expenditure has been reduced to a great extent,

and yet he did not provide us with facts and figures. Sir, the military expenditure is ranging between 46 and 47 crores even now. I may say it is near 50 crores, and it will come to Rs. 50 crores if we add to it the two crores and two lakhs which we have already sustained as a loss in running our strategic Railways. When Indianisation is effected in its true sense, the credit of India will be increased to a great extent.

As regards the promotion which His Excellency the Commander-in-Chief has secured, I also associate myself with the previous speakers in congratulating him thereon. But, at the same time, I make an appeal to him through you and through the Army Secretary that the speech which he made in connection with a resolution which was moved yesterday in the Council of State is highly disappointing. We know what difficulties he has to surmount in acting up to the desire of the House.

[At this stage Mr. Deputy President (Mr. R. K. Shanmukham Chetty) resumed the Chair.]

But he should realise that the pace of Indianisation is hopelessly slow and, therefore, he should come forward to attend to this question of Indianisation with rapidity in consultation with the War Office in England. Just as we realise the difficulties of the Finance Member that he is powerless to curtail many of the items of expenditure without the Secretary of State's sanction, similarly we do realise the difficulties that His Excellency the Commander-in-Chief has in Indianising the Army. But if he makes out a strong case and lays all the facts before the War Office, I am sure, he and the Army Secretary will be crowned with success. With these few words, I resume my seat.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): As I sat hearing the debate, I thought that the aspect to which I wanted to refer had been sufficiently dealt with by my esteemed friends, Sir Abdur Rahim and Sir Henry Gidney. But some of the remarks which have fallen from my Honourable friend, Captain Chaudhri Lal Chand, compel me to speak a few words on the subject.

My Honourable friend, Captain Lal Chand, referred to a doctor and his dismissal while he offered his services during war time.

An Honourable Member: Retired doctor.

Mr. K. P. Thampan: That does not matter much. He said that was owing to the fact that the particular doctor did not belong to the so-called martial race. Sir, you might remember in Madras during the war when the hospital ship "Madras" was organised, our revered leader the late Dr. Nair offered his services on board that steamer. He was constrained to resign after a short service on account of the ill treatment and humility to which the English doctors subjected him. That was more or less the treatment given to all Indians. If you think that one becomes martial only if one plays the under-dog to every Englishman or Irishman or, for the matter of that, every Canadian or Australian, then, Sir, I do not aspire to be martial. Let my friend have the monopoly of it and let him be proud of his martial spirit or gallantry or whatever it is. The Nairs have been said to be a martial race. From the time that Parasurama created Kerala up to the time of the occupation of the district by the British, the Nairs were a fighting people. Everybody, who has

[Mr. K. P. Thampan.]

read the history of Malabar, knows that. From the time that Vasco da Gama set his foot in Calicut, every Western traveller has borne testimony to the martial spirit of the Malayalees, the Nairs, the Moplahs and Thiyars living there. And yet they are non-martial now. Even at the risk of being personal, I wish to say that my ancestors went to Malabar 1099 years ago and for nine centuries we were the hereditary commanders of the Zamorin. We were responsible for the conduct of the resistance that Malabar put up against the invasion of the Mysoreans. Even today, when we dig up the outer compound of our family house, cannons are found lying buried. Many a time I have shed tears when I looked at the old arms that are stocked in the third story of my house. The swords and other weapons are too heavy for me to lift, but they were the weapons used by us three generations ago. That is my past and however much I may feel proud of it, I am considered to be of a non-martial class by the Government and unfit to serve in the Army and defend my country. One is ashamed of oneself: I cannot express myself more strongly than this. Sir, frankly, I don't feel any enthusiasm for the motion.

Mr. S. C. Mitra: I agree generally with the speech of my Honourable friend, Mr. Yamin Khan, on the Indianisation of the Army, but I like to discuss more fully the point that has been raised by my Honourable and gallant friend, Sir Henry Gidney, namely, the proper and equitable distribution of this process of Indianisation itself.

I wish to place before the House first the figures that Sir Philip Chetwode gave in answer to a question asked by the Honourable Mr. Ghosh Maulik in the Council of State yesterday. He said: The sanctioned strength of Indian officers and other ranks of the Indian Army, excluding reservists and the Territorial Force was 1,51,455, of which 47,368 are Hindus, 22,828 are Sikhs, 18,703 are Gurkhas and 52,863 are Muhammadans including 41,720 from the Punjab and 6,847 from the North-West Frontier. These were serving in the Indian Army on the 1st January, 1932. He also gave the figures of the percentage of the cadets. He said that the percentage of Hindu, Muslim and Sikh cadets in the Indian Military Academy was 20, 40 and 27, respectively. From these figures it will not be wrong to argue that equitable distribution of the different races or the due proportion of the different provinces has not been maintained in the Army. It has been urged on more than one occasion that a large sum of money for military expenses amounting to more than 50 crores,—though on the Military Budget it is put at 46 crores—it has been proved on various occasions that the real military expenses exceed even 70 crores if we take stock of the indirect expenditure for the Army, is contributed by the people of all the provinces and they can certainly claim their share in the Indian Army.

As regards the theory of martial classes, I can excuse my friend, Captain Lal Chand, who claims to represent the agricultural rural classes, and even Captain Sher Muhammad Khan, but it is amazing that the British military authorities should also put their faith in this exploded, nonsensical theory. When they recruit for their Army in Europe, do they inquire whether the soldiers come from any martial classes? Do they make any distinction between martial classes in England or Wales or Ireland? Is it necessary only in India to find out who are the martial

classes? As I have said before, this classification and recognition as belonging to martial classes varies with the progress of time. The Bramans of the United Provinces were found to be martial races by the British military authorities 50 years before, when it served their purpose.

An Honourable Member: They are still called martial.

Mr. S. C. Mitra: That may be so, but their number in the Indian Army is dwindling down every year. Then they said that the Sikhs were the only martial races. Then they called the Pathans and the Gurkhas martial races in turn. No body knows whose turn comes next to be styled as a martial class. It has been urged before this House that to make ourselves fully fitted for complete Dominion Status, we must show our competence to defend ourselves, not only the Indian nation, but all the autonomous provinces will certainly claim their proper share in the defence of the country. It cannot be long maintained on the basis of these exploded theories that provinces like Bengal, Madras or Bombay should be excluded from army recruitment. Speaking of Madras, I find that during the war, to serve in the army 51,223 were enlisted as combatants and 48,000 as non-combatants. In Bombay, 41,272 were enlisted as combatants and similarly in other provinces. From these figures, we can clearly show that, when necessary, Government can recruit any number of really good soldiers from any part of India. Even conceding that the same percentage of soldiers may not be had from every province, I say, it is due to this wrong policy, this malicious policy on the part of the Government that they have ceased to recruit from some parts of the country, and by this process they have made even the physically strong races non-martial races. Looked at from any standpoint, there is no justification for Government to recruit only from certain classes of people. As regards recruitment in the civil departments, it is said that selection by competition alone is not good and that proper representation should be had of all classes, communities and provinces. Government cannot have it both ways. Either they must accept the efficiency basis or recruit for military purposes from all classes, communities and provinces.

Sir, I have a special grievance, because although my province is a predominantly Muslim province, I find that, in the name of Muslim minorities everywhere, the loaves and fishes are being monopolised by other provinces, and the Muhammadans of my province are left in the lurch. Sir, the time has come, I claim for the Muslim brethren of my province, that they should get their due and proper share at least in these enlistments. Government will say: "Oh, 52,000 soldiers are recruited from Muslims". That is all very well, but what happens to the Muhammadan brethren of my own province, Bengal, which, be it noted, is inhabited by the majority of the Muslims of the whole of India. These are claims which Government should very closely examine as regards the question of Indianisation. Sir, I support the motion of my friend, Mr. Yamin Khan.

Mr. G. R. F. Tottenham (Army Secretary): Sir, I do not propose to make a long speech on this subject this afternoon. Nor do I propose to follow those Honourable Members who have dealt rather with the question of the particular classes of Indians who should belong to the Indian Army. I take it that the real question before the House is the extent to which Indians should replace Britishers in that Army. I have listened

[Mr. G. R. F. Tottenham.]

carefully to what Honourable Members have said this afternoon, and I confess that I have not heard a great deal that is new; nor do I think that they really expect me to come out with some new or startling announcement. At the same time I do claim, and claim very strongly, that the Army Administration today is outstandingly sympathetic towards Indian aspirations (Hear, hear), and I shall, within the time at my disposal, do my best to substantiate that claim.

Mr. Lalchand Navalrai: Are there any Indians in the Auxiliary Force?

Mr. G. R. F. Tottenham: The present year, Sir, has seen the birth of a purely Indian Air Force; it has also seen the birth of the long-desired Indian Military Academy, and those Honourable Members, who were present at the formal opening of that Academy, will not forget the memorable words that His Excellency the Commander-in-Chief spoke on that occasion.

We are fully aware that there are those who disapprove of our policy in the matter of Indianisation; and their criticism, I think, falls under three main heads. In the first place, they contend that we ought to increase the number of admissions to the Indian Military Academy. In the second place, they condemn our policy in confining Indianisation to a particular number of units, that is to say, completely Indianising a portion of the Indian Army instead of semi-Indianising the whole of it; and thirdly, and possibly above all, there are those who wish us to lay down a definite programme of Indianisation. These three criticisms have often been made in the past and replies have as often been made to them. With regard to the first of them, His Excellency the Commander-in-Chief only yesterday explained in another place that the admissions to the Indian Military Academy at present were sufficient to carry out fully the requirements of the new Indianising Division and Cavalry Brigade, and that the time would not come to expand or increase the number of admissions until that policy had had some chance of success.

Mr. S. C. Mitra: That means waiting for another six or ten years.

Mr. G. R. F. Tottenham: Then, His Excellency said that the time for advance would come when Indian Officers in the Army were filling the posts, or had filled the posts, of squadron and company commanders and that some years must elapse before that can happen. I do not think with my friend, Mr. Jadhav, that His Excellency had any intention, in what he said in the Council of State yesterday, of altering the period which he had in mind last year or the year before. His Excellency simply wanted to make it clear that these Officers must fulfil the conditions prescribed before their capacity could be fully proved; and we hope that that capacity will be proved at no very distant date.

Then, there is the second criticism, that the complete Indianisation of a particular formation is a bad policy. On the other hand, we contend, as we have often contended before, that that policy affords the very quickest possible approach to the complete Indianisation of the Indian Army, because what we want is not a large number of units officered partly by Indians and partly by British officers. What we want to get, as soon as possible, is a smaller number of units officered *entirely* by Indian officers; and we want to satisfy ourselves that those Indian units

so officered will stand comparison with units of the Indian Army which are officered by British officers. Until that time comes, we cannot see the final step. Take, Sir, my own Service, the Indian Civil Service. The recruitment for the I. C. S. has been 50 per cent. Indians and 50 per cent. British for some time, but, by that process alone, you are not today one year nearer in time to the complete Indianisation of the I. C. S. than you were when the process of Indianisation began. A period of at least another 35 years will always have to elapse after the last British officer has joined the Indian Civil Service. So also in the case of the Indian Army. That Army will not be fully Indianised until some time after the last British officer has joined the Indian Army; and we cannot lay down a definite time-table for Indianisation until the time comes when the last British officer is recruited for the Indian Army. The quickest possible way of reaching that position is, in our opinion, to Indianise this complete Division, to have it officered entirely by Indians and see whether they will prove a success. In other words, as His Excellency has already explained at Dehra Dun, the pace of Indianisation depends upon the Indian officers in the Indian Army at the present moment and on the cadets who are now at the Academy. We can promise them that, in the difficult task before them, they will have every possible help and assistance from us. Our policy, we consider, is thus not only better adapted than any other to achieve the object in view, which is, to quote the words of the Round Table Conference, "that the defence of India must to an increasing extent become the concern of the Indian people and not of the British Government alone", but also—and I think this is the most important point—it is receiving the genuine and full co-operation and support of the Army authorities. (Hear, hear.)

If Honourable Members will look through the statements that we have laid on the table giving an account of the action taken on the Retrenchment Committee's proposals, they will see that there were many proposals for Indianisation, not only of the officer ranks, but in the subordinate branches and departments of the Army, such as the Supply Services, the Mechanical Transport, Factories, and so on. A very large majority of these, in fact practically all of them, have been accepted—most of them in practice, but if not in practice at any rate in principle. Soon after I took charge, Sir, of the post of Army Secretary, I made it my business to have a list of these proposals of the Army Retrenchment Committee made, and I have periodical reports sent to me to show the progress that is being made with each of them. I have this list here and I can assure Honourable Members that I keep a careful eye on it, but the point is that my task is a comparatively easy one. I find no obstruction. I find that the officers of Army Headquarters are out to see how much they can do and not how little they can do. Then, Sir, further than that, the officers of Army Headquarters are at present engaged on an examination of all the hundred and one problems that will arise in substituting, for British officers and British formations of the British Army Indian officers and Indian formations. I refer to the Engineers, Artillery, Signals, Tanks, and so forth. In all these matters I can assure the House that the problems are being tackled in the right spirit. There is no sign of obstruction, and there is every sign of co-operation and help. That, Sir, I venture to think, is an asset of priceless value. Honourable Members of this House conceivably might exact or extort from us a definite programme of Indianisation. But, Sir, what would be the use of such a programme if it were

[Mr. G. R. F. Tottenham.]

known that we ourselves did not believe in it and would, therefore, not do our best to adhere to it? I would suggest, Sir, that it is better to co-operate with us in a plan which we ourselves believe in—and which after all has merits of its own—and by doing so to give that plan every possible chance of success.

I do not think, Sir, that I have anything further to say. If Honourable Members can detect any sign of obstruction on our part in the carrying out of this plan, let them by all means bring it to our notice. Let them discuss it with us and, if we cannot satisfy them, let them condemn us. But I do not think that there has been any indication this afternoon that there is at present any obstruction. The difference really is as to the plan itself, and, as I explained at the beginning of my speech, I am not in a position to announce any radical alteration. I can only assure Honourable Members that we are doing and shall continue to do our best to carry out the plan to the best of our ability.

Mr. Muhammad Yamin Khan: Sir, I must confess that I am not fully satisfied with the reply which I have received from the Honourable Member on behalf of Government. I do not think the programme put by the Honourable Member before the House can be at all called satisfactory. If we show that we are satisfied with this programme, we will be committing ourselves to a programme which will take more than a century to have Indian regiments officered by Indians, and for more than a century we will not be fit to defend our country. Although the civil administration is going to be transferred in the near future, for our defence we will have to depend on England for more than a century; and I do not think any patriotic Indian can say that he is satisfied with this programme.

Mr. G. R. F. Tottenham: Sir, I rise on a point of explanation. Perhaps I did not make it clear that we are not in any way bound for all time by the figure of 60 entrants. We very much hope that the time will come, and come soon, when that number of entrants will be largely increased. And I explained that when the time for that advance does come in the next five years or so, there may be a very great increase in that number.

Mr. Muhammad Yamin Khan: That is very much better. That gives a hope that we will have more recruits in the Indian regiments than before. I saw some of these recruits who came out of the Indian Academy and I found them to be very efficient and promising young men. If they had to prove their worth in actual fighting and side by side with other regiments, before they can become Colonels or something else, that would take a long time. But, with the explanation, now given, the position is somewhat changed, and that is what I wanted that recruitment should not be confined to these 60 recruits, but should go on increasing year after year. The particular regiments should not remain confined for Indian recruits. I would like these regiments to be perfectly efficient, so that the safety of India may not be endangered, but the policy should be that Indian officers should get an opportunity of being trained under British officers. Although they are getting one year's training, that is not sufficient. Discipline may be taught in the schools and in the Academy, but association with their British officers will teach them more

discipline and give them more opportunities to keep up the high tradition of the Indian army. And, therefore, I want them not to go straight to particular units which are officered by Indians, but I want them

Mr. G. R. F. Tottenham: Sir, on another point of explanation. I thought the Honourable Member was fully aware of the fact that these units of the Indianising Division are at present units of the Indian army with British officers who will be gradually replaced from the bottom upwards by Indian officers. These officers will serve, as he hopes, under British officers who will train them and do their very best to train them. I may also add that special care is being taken to post to these Indianising units the best British officers that we have in the Indian Army so as to give the new Indian officers the fullest possible chance of success in their training.

Mr. Muhammad Yamin Khan: That is the real thing; that is what I wanted. I am very glad that my Honourable friend has made it quite clear and, I am sorry, that I did not understand in the beginning that that was his intention.

Diwan Bahadur A. Ramaswami Mudaliar: Sir, may I interrupt the Honourable Member? Was it ever in dispute or was it ever in question that the newly recruited Indian Officer will not be serving under British Superior Officers? The objection to the unit scheme was that the British Officer would not serve under the Indian Officer. The Honourable Member is showing gratitude for nothing.

Mr. Muhammad Yamin Khan: My Honourable friend is under a misapprehension. There was also another danger that the recruits who will come out of the Academy will be placed in certain particular units which are officered only by Indians. Some of the senior Indian Officers have been taken away from the different regiments and placed into eight or ten units. If this process had continued, they would not have very much chance. As it was said that there will be a comparison between these units and other units, I said that they should get the same chance and the same opportunities. So there was another danger which has now been explained by the Army Secretary. That does not keep these units confined in which case recruitment could never increase. But if they are sent to all the units, there will be an *ipso facto* enlargement of recruitment. So that gives a great hope that there has been a change in policy.

Now, Sir, after finding out that there will be a continuous increase in the recruits I do not object. I sympathise with my Honourable friend, the Army Secretary, he being a civilian, that he cannot control the military policy which is not directed by the civil authorities, but is directed from somewhere else. Therefore he cannot commit his Government and naturally he cannot say any more than what he has said in his sympathetic reply that the military authorities are considering this continuous demand from India and if that demand is going to be satisfied I shall be content.

I think, Sir, in a few years' time we will have a different policy. I am glad that the Indian Air Force has been started and I hope there will certainly be a change of Government's military policy in the near future, about which the Indian Government is not responsible. But we have to influence by our opinion and we can only ask that the debate of today in

1714

LEGISLATIVE ASSEMBLY.

[7TH MARCH 1933.]

NOES—37.

[Mr. Muhammad Yamin Khan.]

this House may be forwarded to the military authorities showing that this is the united demand of the elected representatives of the Indian people in this House. I do not think, Sir, that it is of any use in censuring the Army Department, because I know that the Army Secretary has not got more power than myself in this matter. They have to depend upon other people. Therefore, Sir, I would not like to press this question to a division, but I would like that the whole debate should be sent to the military authorities as the entire opinion of all the representatives in this House, and that this is the unanimous demand from all sides of the House. I, therefore, hope that my Honourable friend will send and represent to the authorities that this is really the demand which should be sympathetically considered and that the policy should be changed in this respect as soon as possible.

Mr. Gaya Prasad Singh: What is the use of supporting your motion then?

Mr. Muhammad Yamin Khan: I should like only to withdraw my motion with the consent of the House. My point is that a division will not serve the purpose. Division on a question like this will not be effective. Therefore, I think that Honourable Members will think it better not to divide on a question like this, and I beg leave of the House to withdraw.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Has the Honourable Member the leave of the House to withdraw the motion?

Several Honourable Members: No, no.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Chair understands that the Honourable Member has not got the leave of the House. The question is:

"That the demand under the head 'Army Department' be reduced by Re. 1."

The Assembly divided:

AYES—38.

Abdoola Haroon, Seth Haji.
Abdul Matin Chaudhury, Mr.
Abdur Rahim, Sir.
Anwar-ul-Azim, Mr. Muhammad.
Biswas, Mr. C. C.
Dedhorja, Mr. Nabakumar Sing.
Dutt, Mr. Amar Nath.
Gour, Sir Hari Singh.
Hoon, Mr. A.
Ismail Ali Khan, Kunwar Hajee.
Jadhav, Mr. B. V.
Jehangir, Sir Cowasji.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Kvaw Mvint, U.
Lahiri Chaudhury, Mr. D. K.
Lalchand Navabrai, Mr.
Lal Chand, Honv. Captain Rao
Bahadur Chandhri.
Maswood Ahmad, Mr. M.
Mitra, Mr. S. G.

Mody, Mr. H. P.
Mudaliar, Diwan Bahadur A. Ramaswami.
Murtuza Saheb Bahadur, Maulvi Sayid.
Neogy, Mr. K. C.
Pandit, Rao Bahadur S. R.
Rajah, Rao Bahadur M. C.
Ranga Iyer, Mr. C. S.
Rastogi, Mr. Badri Lal.
Reddi, Mr. T. N. Ramakrishna.
Roy, Rai Bahadur Sukhrui.
Sarda, Diwan Bahadur Harbilas.
Sen, Pandit Satvendra Nath.
Shafee Daoodi, Maulvi Muhammad.
Sher Muhammad Khan Gakhar, Captain.
Singh, Mr. Gaya Prasad.
Suhrawardy, Sir Abdulla al-Māmūn.
Upni Saheb Bahadur, Mr.
Yamin Khan, Mr. Muhammad.

Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Acott, Mr. A. S. V.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik.
Amir Hussain, Khan Bahadur Saiyid.
Bajpai, Mr. G. S.
Clow, Mr. A. G.
Dalal, Dr. R. D.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Fox, Mr. H. B.
Gidney, Lieut.-Colonel Sir Henry.
Grant, Mr. C. F.
Gwynne, Mr. C. W.
Haig, The Honourable Sir Harry.
Hezlett, Mr. J.
Hudson, Sir Leslie.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur
Sardar.

Leach, Mr. A. G.
Mackenzie, Mr. R. T. H.
Metcalf, Mr. H. A. F.
Millar, Mr. E. S.
Mitter, The Honourable Sir
Brojendra.
Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Noyce, The Honourable Sir Frank.
Rafiuddin Ahmad, Khan Bahadur
Maulvi.
Rau, Mr. P. R.
Ryan, Sir Thomas.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Seaman, Mr. C. K.
Singh, Mr. Pradyumna Prashad.
Smart, Mr. W. W.
Smith, Mr. R.
Tottenham, Mr. G. R. F.
Vachha, Khan Bahadur J. B.

The motion was adopted.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The consideration of Demand No. 39—Army Department will continue tomorrow morning. The Assembly will now adjourn till tomorrow morning at eleven o'clock.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 8th March, 1933.

APPENDIX.*

Khan Bahadur Makhdum Syed Rajan Bakhsh Shah (South West Punjab: Muhammadan): Mr. Deputy President, while I quite appreciate the great pains and labour with which the Honourable the Finance Member has prepared the Budget, I cannot help stating the fact that it is altogether useless and sheer waste of time putting the country's demands before this House and making speeches or moving Resolutions on them. Experience has proved that this Assembly, which is the biggest Legislative Council of the country, is but a plaything, as good as any other Provincial Council, where every attempt for the liberation of the country is always rendered impracticable. Today, therefore, I would invite the attention of the Government to the condition of petty zemindars and poor cultivators in this country rather than indulge in any other useless discussion; and, if I succeed in this, I should consider it a great service done to the Assembly and the country.

Government ought to know that the present downward trend of art and industry and the degradation of the zemindar and agricultural classes is already adversely affecting the prosperity of the country, and if the condition of the poor zemindar and cultivator is not improved, then not only would the little trade that is now going on in the country suffer, but the Government too would find themselves in a very bad plight.

The Indian zemindar alone is the worst sufferer in the whole civilised world; yet Government have done little to improve his lot as a whole. Perhaps he was better off under the so-called rule of terror of Tippu, the Mahrattas and the Sikhs. It is a pity that his lot should be so worse under the British Raj. Although canals are running in all parts of the country, forests are well kept, and the country's production is on the increase, it is an undeniable fact that all this progress has helped him but little, and the benefit derived has either gone to the Sarkar or the *Sahukar*.

The extension in irrigation and forests has added to the labours of the zemindar, but the pity of it is that it has also added to his misery. After all, why, in the beginning when England assumed the reins of Government in this country, the Indian cultivator was in debt to the extent of only ten per cent., whereas he is 90 per cent. in debt now? The reasons are as follows:

- (1) Government protected the capital of the *Sahukar* by means of various enactments, but placed no check on him as regards his exorbitant charge of interest. The poor zemindar was in this way left at the mercy of the *Sahukar*. Apart from this, the zemindar has been open to all sorts of decrees, attachments and auctions operating against him and emanating from Courts presided over by judges, many of whom are the sons of *Sahukars*.
- (2) Orders were passed for payment of revenue in cash instead of in kind or *batai*.
- (3) Revenue and water rates were assessed a bit too strictly during the previous land settlements in view of the dearth of foodstuff obtaining at that time. But now, though the

* Vide page 1556 of L. A. Debates, dated the 3rd March, 1933.

prices have gone down, the same old rates continue to be charged by Government. The result is that the poor zemindar is paying off his dues by selling off his few ornaments, clothes and household effects, and in certain cases even his utensils and land. This indeed is very shocking. Officials sometimes say that prices might go up. Let them, however, remember that a rise in prices brings no relief to the zemindar as he usually sells out his stuff as early as June and July at Rs. 2-0-0, or Rs. 1-12-0, per maund because he has to pay off Government dues.

- (4) In the Irrigation Department, appointments are usually given to men of the *Sahukar* classes. They care little if and when the supply of canal water should run or cease. They do not know that canal-irrigated areas should receive an ample supply of water. The zemindar is generally found complaining against the inattention of canal officials next to what may be termed as excessive attention on the part of the police. No wonder the department, instead of being called *Mahkama Anhar*, is nicknamed as *Mahkama Andhar* or *Andher* (wrong and injustice).
- (5) Government servants and officials continue visiting the zemindar in and out of season during their tours. The result is that his work is handicapped and it costs him a lot to entertain and please these "official" guests. The idea underlying these tours is no doubt to look after the ryot, but the fact is that the zemindar and the cultivator, instead of gaining any advantage through these officers, very often suffer at their hands. Likewise the duties of the police were based on a high conception of honesty and morality, but subordinate ranks are a source of trouble to the country generally and to the simple-minded villager particularly. They are out to suck his blood by all means, fair or foul.
- (6) The grievances of the zemindar, whether ventilated through the press or through deputations are not heard by officials concerned. The picture is most disappointing when we find representative zemindars with a certain amount of influence behind their backs grinding their own axe and forgetting all about their duty to their own people. Time and again has the attention of the Government been drawn to the miserable plight of the zemindar, but the Honourable the Finance Member has hardly ever deigned to take it into his consideration.

Now, Sir, the sum and substance of all this is that although the zemindar class is the most useful class in the whole country from the Government point of view, it is nevertheless the most neglected. The zemindar claims no voice in the Sarkar's *darbar*, nor does he carry any weight with the *Sahukar* at his shop. In his hut, he is frightened out of his wits by the *Patwari*. On his field, he works and works, day and night, in scorching heat or biting chill, to fill the coffers of the Sarkar or swell the bag of the greedy *Sahukar*. It is indeed very sad to see him subjected to untold miseries, particularly when we find that it was the agricultural classes who gave thousands upon thousands of recruits to fight for the

Sarkar—recruits who not only saved Belgium and France, but also gave their lives so that England may live and may yet be the leading Power of the world, and who, in the Near East and on the continent of Africa, established British supremacy beyond dispute. Now, Sir, may I ask if this is the reward for all their service and sacrifice, a picture of which I have attempted to draw before you? I strongly demand from Government that:

- (1) When harvests are reaped a 50 per cent. reduction may be made in Government revenue and water rates as may be compatible with the prices then prevailing.
- (2) In days of distress a more liberal allowance of *taccavi* may be made.
- (3) Agricultural classes may be taken more and more in service generally, and in civil, judicial and canal employment particularly.
- (4) A check may be put on the *Sahukar* as regards his "interest" and "compound interest" operations.
- (5) Tours of officials may be permitted only in exceptional cases.
- (6) Strong measures may be taken to check official corruption generally and police high-handedness particularly.
- (7) Education up to the middle standard may be made compulsory for all agricultural classes.
- (8) It should be made obligatory on canal authorities at the top to consult leading and experienced zemindars in connection with irrigation problems.

And now, Sir, I come to my last point. The evil of drinking in the present day civilisation is a subject for condemnation all the world over. Why, I wonder, should our Government countenance it, or even provide facilities for its promotion? I think Government are morally bound to stop all brewing and selling of wine and rid the country of this abominable curse.

LEGISLATIVE ASSEMBLY.

Wednesday, 8th March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

QUESTIONS AND ANSWERS.

MEDICAL EXAMINATION OF GIRL STUDENTS OF THE GOVERNMENT NORMAL TRAINING SCHOOL FOR WOMEN, DELHI.

691. ***Mr. M. Maswood Ahmad:** (a) Has the attention of Government been drawn to an article published in the *General News* of Delhi, No. 30, dated the 27th June/5th July, 1931, regarding medical examination of girl students of the Government Normal Training School for Women, Delhi, by the male Civil Surgeon of Delhi? If not, do Government propose to see the article?

(b) Is it a fact that Miss Rudra, Principal of the institution, sent her girl students to the male Civil Surgeon for their medical examination, who examined their chests, lungs, teeth, eyes and other parts?

(c) Will Government please state whether permission from the parents or guardians of the girl students was obtained by the Principal before sending them for medical examination by the male Civil Surgeon? If not, why not?

(d) Is it prescribed in the rules of the institution that students will be examined by the male Civil Surgeon? Was no lady Assistant Surgeon or Sub-Assistant Surgeon available in Delhi for their medical test?

(e) Will Government kindly state whether the students of the Government Normal School for Women, Delhi, were similarly examined by the Civil Surgeon in previous years before the appointment of the present Superintendent of Education, Delhi? If so, will Government please state the years and the names of the examining Civil Surgeons?

(f) If the replies to parts (d) and (e) above be in the negative, will Government kindly state the circumstances under which the Superintendent of Education allowed such an irregularity or whether he took any action against his subordinates who were responsible for this medical inspection? If so, what? If not, why not?

Mr. G. S. Bajpai: (a) to (f). Government have seen the article referred to by the Honourable Member. The incident occurred in 1931. In almost all Training Institutions pupil teachers have to undergo medical examination before admission and in accord with previous practice, the pupil teachers referred to in the article were sent to the Civil Surgeon for medical examination. Through an unfortunate oversight, the Civil Surgeon was not asked to have the examination conducted by a lady doctor. Government regret that this should have happened, but they

have no reason to think that the incident was anything more than the result of a misunderstanding. As soon as the matter was brought to the notice of the Superintendent of Education, instructions were issued in writing that in future no women student should be examined medically under any circumstances by any one except by a doctor of their sex, and these instructions are being scrupulously observed.

Mr. M. Maswood Ahmad: Will Government be pleased to state under what rule this medical examination was considered compulsory?

Mr. G. S. Bajpai: I have already stated, Sir, that it is in accord with practice. I do not know if there is any special rule on the subject.

Mr. M. Maswood Ahmad: Is it a fact that Mr. Littlehailes was the Superintendent of Education before the present incumbent?

Mr. G. S. Bajpai: Mr. Littlehailes was Superintendent of Education, yes.

Mr. M. Maswood Ahmad: Is it a fact that when this medical examination was held in the time of Mr. Littlehailes, the wording in the letter issued to the Civil Surgeon was "Kindly arrange medical examination", but in the time of the present Superintendent of Education, the wording in the letter issued to the Civil Surgeon was "Kindly examine the students"?

Mr. G. S. Bajpai: Sir, the position is that the Superintendent of Education did not issue any instructions on the subject. The instructions or the request was sent by the Principal of the College, and as I have explained in the course of my answer, unfortunately it was not stated in the letter that the medical examination should be conducted by a lady doctor.

Mr. M. Maswood Ahmad: My question is still unanswered. I want to know whether it is a fact that on the previous occasion, in the time of Mr. Littlehailes, when the letter was written to the Civil Surgeon, the wording was "Kindly arrange for the medical examination", but on this occasion in the time of Mr. Chatterjee the wording in the letter was "Kindly examine the students". I want to know the difference between the two letters?

Mr. G. S. Bajpai: There must have been a difference in the language of the two letters, otherwise there was no reason why the previous practice should not have been followed.

Mr. M. Maswood Ahmad: Why did you not admit it before?

Dr. Ziauddin Ahmad: May I understand that the Honourable gentleman thinks that both these words convey the same idea?

Mr. G. S. Bajpai: No, Sir; I do not for a minute say that they convey the same idea. If they had conveyed the same idea, then undoubtedly the previous practice which was that the examination shall be conducted by a lady doctor would have been followed.

Dr. Ziauddin Ahmad: Why were these orders changed? That was the question asked by my friend?

Mr. G. S. Bajpai: As I have stated, it was unfortunately an oversight. That is all.

Dr. Ziauddin Ahmad: It is really unfortunate that there should have been an oversight in this important matter, and, in the case of such a responsible officer, "oversight" is not the right word to use.

Mr. G. S. Bajpai: Well, Sir, I fail to see really what possible motive this officer could have had to change the practice. It must have been an oversight. It could not be anything else, because as soon as the matter was brought to his notice, he varied the original order.

Mr. Gaya Prasad Singh: Did it not occur to the Civil Surgeon that it was the height of impropriety to examine lady candidates in the manner he did? Did he not see the impropriety of it? He ought to have sense enough to understand that it was the height of impropriety to examine the lady candidates himself?

Mr. G. S. Bajpai: Well, Sir, I do not really think that that charge can be levelled against the Civil Surgeon. I understand that he had the Matron of the Hospital to assist him in conducting this examination, and, what is more, the Civil Surgeon examines women patients every day.

Mr. M. Maswood Ahmad: Will the Honourable Member kindly give me the answer to part (c) of this question?

Mr. G. S. Bajpai: Well, Sir, I have read the question very carefully, and I answered it as a whole, and as regards part (c), I say that these pupil teachers were informed a week beforehand of the medical examination and nothing was heard about it from them.

Mr. M. Maswood Ahmad: Is there any record to show that they were informed a week before about this medical examination? They were forced for this examination.

Mr. G. S. Bajpai: I must really repudiate the suggestion that the local authorities made statements without any authority.

Mr. M. Maswood Ahmad: Is there any written proof to show that these instructions were given to them a week beforehand?

Mr. G. S. Bajpai: The notice obviously must have been conveyed in writing or personally to the pupils.

Mr. M. Maswood Ahmad: Will Government kindly place in the Library a copy of those instructions which were given to these lady candidates a week before?

Mr. G. S. Bajpai: I have already stated that I do not definitely say that the instructions given were in writing. I said either they were in writing or they were conveyed personally to the pupil teachers. I will make inquiries.

Mr. M. Maswood Ahmad: My friend cannot get anything in black and white?

Mr. D. K. Lahiri Chaudhury: That seems quite inconsistent?

Mr. G. S. Bajpai: If my Honourable friend would not do me the courtesy of listening to my answer, I must leave the House to him to judge whether I am consistent or not.

Mr. D. K. Lahiri Chaudhury: Is it not a fact that unless it was a written document, he could not answer it in that way?

Mr. G. S. Bajpai: What I said was that the instructions were either in writing or given personally to the people who were there.

Mr. D. K. Lahiri Chaudhury: That is, afterwards you spoke like that.

Mr. G. S. Bajpai: No, Sir; if my Honourable friend were to go through the script, he would see that I have safeguarded myself in my answer.

Mr. S. C. Mitra: Do the Government accept the statement made in part (b) as quite correct?

Mr. G. S. Bajpai: Well, Sir, I cannot specify as to how the medical examination was conducted by the doctor.

Mr. N. N. Anklesaria: Has there been any complaint from any lady student or from any parent or guardian of any of these lady students in regard to this matter?

Mr. G. S. Bajpai: Well, Sir, the position is that until this article was unearthed by my friend, the whole matter was obscure and nobody ever heard anything about it.

Dr. Ziauddin Ahmad: Could they ever make any complaint under any code of decency?

PRINCIPAL, GOVERNMENT NORMAL TRAINING SCHOOL FOR WOMEN, DELHI, AND THE ASSISTANT SUPERINTENDENT OF GIRLS' EDUCATION, DELHI.

695. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that both the ladies, namely, the Principal, Government Normal School for Women, Delhi, and the Assistant Superintendent of Girls' Education, Delhi, are subordinates of the present Superintendent of Education, Delhi?

(b) Is it also a fact that the Superintendent of Education, Assistant Superintendent of Girls' Education, and the Principal of the Government Girls' Training School, Delhi, are all of one community?

(c) Is it a fact that the majority of the students in the Girls Training School, Delhi, are Hindus?

(d) Is it a fact that none of the posts mentioned in part (b) above are held by a Hindu?

Mr. G. S. Bajpai: (a) The Assistant Superintendent of Women's Education, Delhi, works under the general supervision of the Superintendent of Education, Delhi, Ajmer-Merwara and Central India, and the Headmistress, Government Normal School for Women, Delhi, is subordinate to her.

(b) and (d). Yes.

(c) There are 27 Hindus out of 62 students in the Girls' Training School, Delhi.

Mr. M. Maswood Ahmad: Will Government please state what is the number of other communities in that school?

Mr. G. S. Bajpai: Yes, Sir, I can give the information required by my friend. There are 20 Muslims, 11 Christians, two Sikhs and two others.

Mr. M. Maswood Ahmad: Is it a fact that only one community, i.e., the Christians have got a kind of monopoly amongst the staff in that school?

Mr. G. S. Bajpai: In this particular school, the Girls' School, undoubtedly the Christian predominate, but so far as the other schools under the administration of the Municipality are concerned, that is not so.

Mr. M. Maswood Ahmad: Will Government please state why there is a monopoly of only one community in regard to teachers?

Mr. G. S. Bajpai: If my Honourable friend will kindly wait for the answer to his next question, he will see that I give a statement there which will give him the information required.

MUNICIPAL BOARD GIRLS' HIGH SCHOOL, NEW DELHI.

696. ***Mr. M. Maswood Ahmad:** (a) Is it a fact that the Municipal Board Girls' Middle School, New Delhi, was raised to the High School standard in 1932? If so, will Government please state what additional staff has been appointed to meet the requirements of the High School?

(b) Will Government kindly state how many Europeans or Anglo-Indians, Indian Christians, Hindus, Muslims and Sikhs have been appointed or selected for appointment among the additional staff?

(c) Is it a fact that the additional staff mentioned in parts (a) and (b) above was appointed by the Secretary, New Delhi Municipal Committee, on the recommendation of the Superintendent of Education or the Assistant Superintendent of Girls' Education?

(d) Is it a fact that there is an undue majority of one community in the additional staff, and will Government kindly state if it is a fact that all the three officers, i.e., (1) the Secretary, New Delhi Municipal Committee, (2) the Superintendent of Education, Delhi, and (3) the Assistant Superintendent of Girls' Education, Delhi, belong to the same community as the majority of their additional staff?

(e) Will Government kindly place on the table a statement giving names, designation, community, qualifications, grade of pay and the work allotted to each member of the staff of the Municipal Board Girls' High School, New Delhi?

Mr. G. S. Bajpai (a) and (b). The school was raised to the High School standard with effect from the 1st October, 1932. One additional teacher, who is an Indian Christian, was appointed in November, 1932. Three teachers—two Indian Christians and one Muhammadan—have also been selected for appointment, but they have not yet joined.

(c) The appointments were made by the Municipal Committee, on the advice of the Education Department of Delhi.

(d) Of the four additional teachers, three are Indian Christians and one Muhammadan as already stated. The three officers mentioned in the question are Indian Christians. It has been most difficult to secure Hindu or Muhammadan trained women teachers who are competent to teach both English and Hindi or Urdu, in spite of the fact that these posts were advertised in Delhi and the adjoining provinces. The field of selection is therefore necessarily limited.

(e) Two statements, containing the information required by the Honourable Member, are laid on the table.

(1)
Statement showing Members of the Staff of the Municipal Girls' High School New Delhi.

No.	Name.	Designation.	Community.	Qualification.	Grade of pay.	Remarks.
1	Miss M. V. Earle	Principal	Anglo-Indian	B. A., B.T., L.T. (Knows Hindi)	Rs. 200—10—250	Management of the school. Was appointed vice Mrs. Mc'Murray who resigned in April, 1932.
2	Miss D. Sen Gupta	Head Mistress, Primary Department and Kindergarten.	Indian Christian.	E. T. C. (Agra), (Knows Hindi. Did 4 years inspection work in Roorki. Had training in Kindergarten in England.)	100—5—140	Supervises Primary Department of the School. Appointed on 3rd November, 1932.
3	Mrs. L. Sen	Senior Teacher	Hindu	B. A. (Punjab). (Knows Hindi and English).	110—5—130	Appointed on 2nd June, 1930.
4	Miss De'laplace	Teacher	Indian Christian.	J. A. V. (Metric). Knows Hindi, Urdu and English.	75—5—100	Appointed on 18th June, 1931.
5	Miss Ram Piari Devi	Teacher	Hindu	S. V. (Middle). Knows Hindi.	35—3—50	Appointed on 14th May, 1931.
6	Miss I. Jacob	Teacher	Indian Christian.	S. V. A. (Middle). Knows Hindi, Urdu and English.	50—5—80	Appointed on 12th July, 1920.
7	Miss P. Maweshi	Teacher	Do.	S. V. (Middle). Knows Hindi, Urdu and English.	40—4—60	Appointed on 16th September, 1920.
8	Miss L. H. Rae	Teacher	Do.	Do.	45—2—50	Appointed on 7th May, 1927.
9	Miss Champa Devi	Teacher	Hindu	J. V. (Middle). Knows Hindi.	35—3—50	Appointed on 16th July, 1927.
10	Miss Elvin A. William	Teacher	Indian Christian.	J. A. V. (High School Examination, Delhi, 3 years' experience).	80—4—100	Not yet joined.
11	Miss B. V. Singh	Teacher	Do.	F. A. (E. T. C.). 4 years' experience.	80—4—100	Do.
12	Mustt. Jafry Begum	Urdu and Persian Teacher.	Muhammadan	Teachers' Certificate Examination, Language Examination in Advanced Urdu. A. V. Middle.	80—4—100	Do

(II)

Statement showing work allotted to each member of the staff in the Municipal Girls' High School, New Delhi.

No.	Name of Teacher.	Subjects.	Classes.
1	Miss M. V. Earle, Principal.	Management of the School. English Geometry Drawing	Special Class—Section A. Special Class—Section A. Special Class—Sections A. and B.
2	Miss D. Sen Gupta	Supervision Primary Department. Kindergarten. English and Nature Study	Classes IV and V.
3	Mrs. L. Sen	Hindi History Drill and games	Classes IX, VI and V. Classes IX, VIII and V. Class VI.
4	Miss Delaplace	Algebra and Arithmetic . Geography, English and Drawing. Geography, Hygiene, Gymnastics. Nature Study.	Class IX. Class VIII. Class VII. Class IV.
5	Miss Ram Piari Devi	Arithmetic, Hindi, Domestic Science. Hindi, History History, Hygiene, Domestic Science.	Class VIII. Class VII. Classes VI, IV and IX.
6	Miss I. Jacob	Arithmetic, Urdu, Hygiene, Drawing. Urdu, English, Geography Section I.	Class V. Class IV.
7	Miss P. Mawashi	Hygiene and sewing . . Arithmetic, Hygiene, Sewing, Domestic Science. Arithmetic Geography History	Class VIII. Class VI. Class VII. Class V. Class IV.
8	Miss L. H. Rae	All subjects and games and Hand work. Sewing and Domestic Science.	Class III. Classes VI and VII.
9	Miss Champa Devi	Arithmetic and Hindi . Geography, Nature Study, Drawing, Sewing and Games. Sewing	Class IV. Class II. Class VII.

Mr. M. Maswood Ahmad: Is it a fact, Sir, that apart from the officers who have been mentioned in my question No. 696, the Secretary to the New Delhi Municipal Committee also is a Christian gentleman?

Mr. G. S. Bajpai: I believe, Sir, it is so.

Mr. M. Maswood Ahmad: Is it a fact that on account of the presence of so many Christians in the department, the teachers had been recruited from the Christian community only in such large numbers?

Mr. G. S. Bajpai: No, Sir; I am not prepared to accept that statement, because the appointments were made by the Municipal Committee and not by the Secretary or the Superintendent of Education.

Mr. M. Maswood Ahmad: On whose recommendation were these appointments made?

Mr. G. S. Bajpai: My Honourable friend must appreciate the distinction between making a recommendation and the act of appointment.

Mr. M. Maswood Ahmad: I appreciate the distinction, but I repeat my question. On whose recommendation was this appointment made?

Mr. G. S. Bajpai: I have answered that in reply to part (c) of his question. The appointments were made by the Municipal Committee on the advice of the Education Department of Delhi.

Mr. M. Maswood Ahmad: That is, Superintendent of Education.

Mr. G. S. Bajpai: The Superintendent of Education and his assistants.

Mr. M. Maswood Ahmad: Why did not my Honourable friend admit it before that on the Superintendent's recommendation these appointments were made?

Dr. Ziauddin Ahmad: Is it not a fact that the facts mentioned in question No. 694 are the direct outcome of the matters mentioned in question No. 696?

Mr. G. S. Bajpai: I confess that I see no connection between the facts mentioned in questions Nos. 694 and 696. Question No. 696 relates to certain appointments made by the New Delhi Municipality, four of which have been made since October, 1932, whereas the facts mentioned in question No. 694 occurred in July, 1931.

MOPLAHS SENTENCED IN CONNECTION WITH THE MOPLAH REBELLION.

697. ***Mr. M. Maswood Ahmad:** (a) Will Government be pleased to state the number of Moplah prisoners, sentenced in connection with the Moplah rebellion, who are still undergoing their terms in India and outside India?

(b) Will Government be pleased to state the number of Moplahs who are still not allowed to enter their home district?

The Honourable Sir Harry Haig: (a) The number of Moplahs convicted in connection with the Malabar Rebellion of 1921 now undergoing imprisonment is 221 in the Madras Presidency and 149 in the Andamans.

(b) The number is 50. This figure includes also persons externed for reasons not connected with the rebellion of 1921.

PERSONS IN JAILS IN BRITISH INDIA FOR OFFENCES UNDER THE KASHMIR ORDINANCE.

698. ***Mr. M. Maswood Ahmad:** Will Government be pleased to state the number of persons who are still in jails in British India for offences under the Kashmir Ordinance?

The Honourable Sir Harry Haig: The number is nine.

ADOPTION OF A SYSTEM OF COMMON ROLL REPRESENTATION IN FIJI.

699. ***Mr. M. Maswood Ahmad:** (a) Are Government aware that the Governor, Fiji, has stated in the Fiji Legislature that it was impracticable under present conditions to contemplate the adoption of a system of common roll representation?

(b) Do Government propose to make any representation to the Fiji Government and enquire what are the practical difficulties in the way of the adoption of a system of common roll representation?

Mr. G. S. Bajpai: (a) Government understand that this is so.

(b) The Honourable Member's attention is invited to the correspondence published with this Department Resolution No. 24-Overseas, dated the 12th January, 1927, and the answer given to part (c) of Mr. Gaya Prasad Singh's question No. 634 on the 22nd September, 1931.

RECRUITMENT OF SIKHS IN THE CENTRAL PRINTING OFFICE, CENTRAL PUBLICATION BRANCH, DELHI, AND THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

700. ***Sardar Sant Singh:** (a) What is the total number of Hindus, Muhammadans and Sikhs in each of the offices of (1) Central Printing Office, (2) Central Publication Branch, Delhi and (3) Government of India Press, New Delhi?

(b) How many vacancies occurred during the last year and how were they filled up?

(c) Was any Sikh entertained in any of the vacancies? If not, why not? If so, is he working now?

(d) In order to give this community its due share, are Government prepared to order the recruitment of a sufficient number of Sikhs in each of these offices in future vacancies?

The Honourable Sir Frank Noyce: (a) and (b). I assume the Honourable Member desires information in respect of superior staff only. A statement furnishing the necessary information is laid on the table.

(c) The answer to the first part is in the affirmative, the second part of the question does not therefore arise. So far as I know, the Sikh recruited is still employed.

(d) The orders of Government relating to the recruitment of minority communities will be followed.

Statement.

	(a)			No. of vacancies in 1932.	(b)		
	Hindus.	Muslims	Sikhs.		How filled.		
					Hindus.	Muslims.	Sikhs.
(1) Office of the Controller of Printing and Stationery (Central Printing Office has been merged in this Office)	24	6	4	6	3	2	1
(2) Central Publication Branch	59	14	..	Nil	..	..	..
(3) Government of India Press, New Delhi—							
(Clerical)	33	10	2	Nil	..	..	..
(Industrial)	132	169	3	12	6 vacancies were filled by departmental promotion; the remaining vacancies were not filled on account of paucity of work.		

VACANCIES IN THE OFFICE OF THE PRIVATE SECRETARY TO THE VICEROY.

701. ***Sardar Sant Singh:** How many temporary, permanent and leave vacancies in the grades of clerks and Assistants occurred in the office of the Private Secretary to the Viceroy, during the last year? Was any Sikh entertained in any of them? If not, why not?

The Honourable Sir Harry Haig: During last year there was a leave vacancy for about three months in the grade of clerk in the office of the Private Secretary to His Excellency the Viceroy. In consideration of the communal composition of the office the vacancy was filled by the appointment of a Muslim. I would add that a Sikh has since been appointed permanently in the superior grade of the Private Secretary to His Excellency the Viceroy's Press.

SUNDAY ALLOWANCE FOR THE EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

702. ***Sardar Sant Singh:** Will Government be pleased to state whether the question of the payment of the Sunday allowance of the men of the Government of India Press, New Delhi, has been decided yet since March, 1932? If not, why not?

The Honourable Sir Frank Noyce: On the assumption that the Honourable Member's question relates to a doubt respecting the interpretation of certain orders governing the payment of overtime allowance for Sunday work, the answer is that orders were passed in June, 1932.

HEATING ARRANGEMENTS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

703. ***Sardar Sant Singh:** Will Government be pleased to state whether proper heating arrangements in the New Delhi Press buildings were made this winter? If not, why not? Are Government aware that there has been severe cold this year?

The Honourable Sir Frank Noyce: Adequate heating arrangements were made as soon as the cold weather commenced.

Mr. Gaya Prasad Singh: May I ask the Honourable Member to state what steps have been taken to cool the atmosphere of this Chamber in view of the enormous amount of gas which is generated every day? (Laughter.)

Mr. Lalchand Navalrai: Will the Honourable Member be pleased to state whether any arrangement for heating will be made in the Western Hostel?

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): That question does not arise.

ATTENDANCE OF THE HINDU EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI, ON THEIR COMMUNAL HOLIDAYS.

704. ***Sardar Sant Singh:** Will Government be pleased to state whether the Hindu salaried hands are compelled to attend office on their communal holidays in the Government of India Press, New Delhi, whereas the Muhammadans are not, on their communal holidays? If so, why?

The Honourable Sir Frank Noyce: Hindu as well as Muslim salaried hands are allowed communal holidays if the state of work in the Press permits.

HOURS OF ATTENDANCE OF THE CLERICAL STAFF OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

705. ***Sardar Sant Singh:** (a) Will Government be pleased to state what is the hour of attendance of the clerical staff of the Government of India Press, New Delhi, and when they commence their work? Is it a fact that clerks do not reach their respective desks earlier than 11 A.M.? Who is responsible for all these irregularities?

(b) Will Government be pleased to state what are the educational qualifications of the Head Assistant? Is it a fact that misinterpretations of Government orders have been made on several occasions and that on the men's appealing to Government those were rectified?

The Honourable Sir Frank Noyce: (a) The hours of attendance are from 10 A.M. to 5 P.M. except on Saturdays when they are from 10 A.M. to 2 P.M. Ten minutes' grace after the normal opening hour has been allowed. The men commence work on arrival. The last part of the question does not arise.

(b) He is a matriculate. The reply to the second part is in the negative.

TRANSFER OF THE BOOKS BRANCH FROM THE GOVERNMENT OF INDIA PRESS, NEW DELHI, TO THE CENTRAL PUBLICATION BRANCH.

706. ***Sardar Sant Singh:** Is it a fact that on the transfer of the Books Branch from the Government of India Press, New Delhi, to the Central Publication Branch, Civil Lines, Delhi, only two clerks will be transferred there, whereas Mr. Kudsia, an Assistant in the Books Branch, shall be retained in the Accounts Branch, making thereby two assistants there? What is the cause of this? Is it not an extra expenditure in these days of financial stringency?

The Honourable Sir Frank Noyce: The question whether or not any staff will be transferred to the Central Publication Branch is still under consideration. The remaining parts of the question do not arise.

NECESSITY FOR INCREASING THE CLERICAL STAFF IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

707. ***Sardar Sant Singh:** Will Government be pleased to state why the clerical staff in the Government of India Press, New Delhi, is gradually increased? Have the clerks any fixed outturn of work to do daily? If not, why not? Is it a fact that the clerks idle their time from 12 Noon to 1 P.M. during the recess time of the industrial staff?

The Honourable Sir Frank Noyce: The permanent clerical staff of the Government of India Press, New Delhi, has not been increased since 1927. Owing to a general increase in work since then, temporary fluctuating staff has been employed to cope with it. The nature of work done does not permit of any outturn being fixed. The reply to the last part is in the negative.

MUSLIM EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

708. ***Sardar Sant Singh:** (a) Will Government be pleased to state what is the total number of the Muhammadan employees in the Government of India Press, New Delhi? If the number of Muhammadans is in excess, why do not Government appoint Christians, Sikhs and other minority community men?

(b) Is it a fact that the Assistant Manager of the said Press has appointed Muhammadan compositors again this month knowing that their number is in excess? What is the cause of this?

The Honourable Sir Frank Noyce: (a) 184. The claims of all the minority communities are duly considered when recruitment is made.

(b) Appointments are not made by the Assistant Manager.

NON-FILLING UP OF VACANCIES IN THE READING BRANCH OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

709. ***Sardar Sant Singh:** Will Government be pleased to state why some vacant posts of the Reading Branch in the Government of India Press, New Delhi, have not been filled up since the vacancies occurred?

The Honourable Sir Frank Noyce: The posts were filled as soon as the state of work justified so doing.

ALLOTMENT OF MARRIED CLERKS' QUARTERS IN SIMLA AND NEW DELHI.

710. ***Mr. Lalchand Navalrai:** (a) Is it a fact that in the allotment of married clerks' quarters in Simla preference is given to junior clerks? If so, what is the principle determining it?

(b) Is it a fact that in the allotment of married clerks' quarters in New Delhi preference is given to senior clerks? If so, what is the principle determining it?

(c) If the replies to the first parts of each of parts (a) and (b) above be in the affirmative, are Government prepared to consider the question of the advisability of following one and the same principle in the allotment of quarters both in Simla and in New Delhi and giving effect to the same while making allotment of quarters for the coming winter season?

The Honourable Sir Frank Noyce: (a) and (b). The facts are as the Honourable Member has stated them. The allotment of Government quarters by seniority, as is the case in Delhi, is a reasonable basis for allotment. In Simla, however, the principle of giving preference in allotment to junior clerks has been in force for some years as it was held that they stood in the greatest need of relief in the matter of house accommodation at that station.

(c) Government have considered the question and they do not propose to give effect to the suggestion, at any rate, for the present. They believe there is no general grievance felt at the difference of rule in the two places.

Mr. Lalchand Navalrai: Will the Honourable Member state if the only reason for the difference in the rule as regards Simla is tradition?

The Honourable Sir Frank Noyce: The principle has been adopted in Simla for a very definite reason, which is that junior clerks stand in the greatest need of relief in the matter of accommodation at that station. I am not aware that circumstances have changed in that respect. If there is any grievance on the subject, I feel sure that the Imperial Secretariat Association would have represented it. We have heard nothing from them about it.

Mr. Lalchand Navalrai: No representations have yet been made to the Honourable Member?

The Honourable Sir Frank Noyce: Not yet.

PROTECTION FOR INDIAN AND BURMA RICE IN THE UNITED KINGDOM MARKET.

711. ***Mr. E. S. Millar:** (a) Has the attention of the Government of India been drawn to the omission of the word "paddy" from the item relating to rice in Schedule A to the Trade Agreement concluded at Ottawa between His Majesty's Government in the United Kingdom and the Government of India?

(b) Are the Government of India aware that Spanish paddy can now be imported into the United Kingdom and there milled into white rice and sold at prices which would enable it to compete severely with Indian and Burma rice, and thus nullify the protection which was intended by the Ottawa Agreement to be given to that rice?

(c) Do the Government of India propose to take immediate action with the object of securing to Indian and Burma rice full protection in the United Kingdom market?

The Honourable Sir Frank Noyce (on behalf of Sir Joseph Bhore): (a) Yes.

(b) and (c). The Government of India have recently received a report on the subject from the Indian Trade Commissioner in London and the matter is engaging their attention.

TROOPS FROM BRITISH INDIA SENT TO ALWAR.

712. ***Mr. Gaya Prasad Singh:** (a) Will Government kindly state what troops from British India have been sent to Alwar, and whether their expenses will be borne by the Indian Exchequer or not, and, if the former, what approximately will be the total expenditure in this connection?

(b) Will Government kindly state the total amount of expenditure which fell on the Indian revenues when (i) Alwar State forces were sent to serve in the Great War; and (ii) Alwar State forces were sent to Ferozpur Jhirka in British territory in 1921, when serious riots broke out during the first no-rent campaign in Gurgaon District and elsewhere?

Mr. G. R. F. Tottenham: (a) The Honourable Member is referred to the answer I gave on the 7th February to Mr. Maswood Ahmad's starred question No. 232. One section of a Mechanical Transport Company was subsequently sent to Alwar State, but about half of the troops have now returned.

I am not in a position at present to state what extra expenditure has been incurred.

(b) The information is being obtained and will be laid on the table in due course.

Mr. Gaya Prasad Singh: Is it not a fact that Alwar never asked for British troops to be sent out of British India?

Mr. H. A. F. Metcalfe: That, Sir, is not a question which can be answered without offending against the Standing Orders which prohibit the discussion of the relations between the Governor General and an Indian State.

Mr. Gaya Prasad Singh: I submit that the troops are British Indian troops and we pay for them. Therefore, I claim that it is the right of this House to ask whether British troops were sent unasked or at the discretion

of any party. Troops may be sent to China. Are we not in a position to ask whether the British Government in England asked for the troops to be sent? We pay for the troops. Therefore this question should be allowed as it does not conflict with the rule mentioned by my Honourable friend.

Dr. Ziauddin Ahmad: I think it is really pertinent that we should ask this question as to whether we are going to pay or the Alwar Government.

Mr. H. A. F. Metcalfe: If it is the question as to who is going to pay for these troops, I am prepared to secure the information and lay it before the House. But the question asked by my Honourable friend was of quite a different nature. He asked at whose request the troops were sent and that was the subject on which I raised the point of order and pointed out the difficulty of answering it.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The troops in question are a part of the Army in India, are they not?

Mr. H. A. F. Metcalfe: That is the case.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): If a part of the Army in India has been sent to any place outside British India, and since the Army in India is paid for by Indian Exchequer—in the opinion of the Chair, it will be quite in order for any Honourable Member to ask the question, "at whose request were such troops sent?" (Applause.)

Mr. H. A. F. Metcalfe: If that is your ruling, Sir, I am afraid I must ask for notice of the question, because I am not in a position to supply the information off-hand.

UNSTARRED QUESTIONS AND ANSWERS.

INSANITARY CONDITIONS NEAR SAMRU PLACE AND LUMSDEN SQUARE, NEW DELHI.

60. **Mr. S. C. Mitra:** (a) Has the attention of Government been drawn to the letter which appeared in the *Hindustan Times* of the 7th December, 1932, under the caption "Round a Cow House" regarding the insanitary conditions near Samru Place and Lumsden Square, New Delhi?

(b) If so, do Government propose to inquire into the matter and to remove the grievance complained of?

Mr. G. S. Bajpai: (a) Government have seen the letter.

(b) The New Delhi Municipal Committee is taking suitable action.

RECRUITMENT TO THE SUBORDINATE ACCOUNTS SERVICE.

61. **Mr. M. Maswood Ahmad:** (a) With reference to their reply to question No. 467 of the 20th September, 1932, will Government please state if it is a fact that appointments to the Subordinate Accounts Service in the Accounts and Audit Department are made by direct nomination?

The Honourable Sir Frank Noyce: No. The Government are of opinion that the case will be met by the observance of their orders as in force from time to time regarding the recruitment of members of minority communities.

RECRUITMENT OF MEMBERS OF MINORITY COMMUNITIES IN THE POSTS AND TELEGRAPHS DEPARTMENT.

68. Mr. Uppi Saheb Bahadur: (a) Is it a fact that Government have issued orders to give effect to the reservation of every third vacancy for the minority communities in all classes of appointments, including inferior service and menials in the Posts and Telegraphs Department? If so, are Government aware (i) that the recruitments to postmen, mail guards, inferior servants, porters and other menials and van peons are made from those already enlisted for some years and officiated in such posts for several times; (ii) that the members of the minority communities were not enlisted for such posts before the issue of the above orders; and (iii) that the members of the minority communities who have since been enlisted for such posts are compelled to go back as officiating vacancies are not filled up with them by the authorities on the plea that only every third permanent vacancy has to be reserved for the members of the minority communities and not the officiating and temporary vacancies?

(b) Do Government propose to issue immediate orders that every third vacancy should be reserved for minorities and that it applies to permanent, temporary or officiating vacancies in each class?

The Honourable Sir Frank Noyce: (a) The reply to the first part is in the negative, as the orders referred to are in respect of posts filled by direct recruitment only and therefore do not apply to all classes of appointments. As regards the remainder of the question, Government have no precise information, though it is possible that the facts are as stated by the Honourable Member.

(b) Government are not prepared to take the action suggested as they consider that in the special conditions of the Posts and Telegraphs Department it would be administratively impracticable to give effect to it.

RECRUITMENT OF MEMBERS OF MINORITY COMMUNITIES IN THE POSTS AND TELEGRAPHS DEPARTMENT.

69. Mr. Uppi Saheb Bahadur: (a) Is it a fact that one-third of the clerical cadre (lower division) of the Postal and Railway Mail Service Departments has to be filled up by the postmen, mail guards, etc.? If so, what steps do Government propose to take so that the minority communities may get their adequate share in the lower division?

(b) Is it a fact that there are very few postmen, mail guards, etc., belonging to the minority communities? If so, do Government propose to issue immediate orders to fill up the one-third of the vacancies of lower division clerks by recruitment of members of the minority communities from outside, if such deserving candidates are not available in the department itself?

The Honourable Sir Frank Noyce: (a) As regards the first part the fact is not as stated. The Honourable Member is referred to the reply given to Mr. P. G. Reddi's starred question No. 768 in this House on

the 26th September, 1932. As regards the second part, members of minority communities will have access to the lower clerical division by promotion and also by direct recruitment as outsiders, and in the latter case their interests will be protected by the minority community recruitment rules. Government do not propose to take any further steps in the matter.

(b) No. The Honourable Member is referred to the reply to the second part of (a) above and to the replies given in this House to Mr. Anwar-ul-Azim's starred questions No. 72, on the 5th September, 1928, and No. 330 on the 30th January, 1929.

LOCAL ALLOWANCES FOR CLERKS, RAILWAY MAIL SERVICE SORTERS, ETC., OF THE POSTAL AND RAILWAY MAIL SERVICE DEPARTMENTS.

70. Mr. Uppi Saheb Bahadur: Is it a fact that local allowances are sanctioned for the clerks, Railway Mail Service sorters, etc., of the Postal and Railway Mail Service Departments? If so, will Government please lay on the table a list showing the names of such places together with the number of (i) Hindus, (ii) Mussalmans, and (iii) others (officers and other officials) who drew such allowance during December, 1932? If the number of Mussalmans who drew such allowance is less than one-third of the majority community, will Government be pleased to state the reasons for this?

The Honourable Sir Frank Noyce: Local or compensatory allowances are sanctioned for various classes of clerical and other subordinate staff in the Post Office and Railway Mail Service in various specified localities. As regards the latter part of the question, Government regret that the information wanted by the Honourable Member is not readily available nor do they consider it necessary to call for it. The allowances are not regulated by communal considerations but are attached to specified posts, the holders of which are entitled to them irrespective of the community to which they may belong.

ABOLITION OF THE POST OF A SUPERINTENDENT IN THE DEPARTMENT OF INDUSTRIES AND LABOUR.

71. Mr. Uppi Saheb Bahadur: (a) Is it a fact that in the Department of Industries and Labour there are two Assistant Secretaries, one Under Secretary and one Deputy Secretary, of whom one is an Establishment Officer? If so, will Government please state whether appointments and postings in respect of establishment are made by a Superintendent? If so, why?

(b) Is it a fact that the post of a Superintendent in the Industries and Labour Department which was abolished as a measure of retrenchment has been revived as a result of the amalgamation of the Industries and Public Works branches? If so, will Government please state the necessity for a wholetime superintendent for Cash and Issue sections, especially when both the clerk in charge and the cashier are each in receipt of Rs. 50 as special pay? Is a similar practice obtaining in other Departments?

(c) Is it a fact that all Establishment, Issue and Cash work of the Public Works Branch, before amalgamation, was supervised by the Assistant Secretary, Public Works and that of the Industries by a

1736

LEGISLATIVE ASSEMBLY

[8TH MARCH 1933.]

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state whether candidates recruited directly have also to pass the prescribed examination?

(c) Will Government be pleased to lay on the table a statement in the following form of the candidates recruited directly for all the offices under the Auditor-General in India during the period from 1st April, 1924 to 31st December, 1932?

Name of the candidate.	Muslim or non-Muslim.	No. of S. A. S. examinations at which he appeared.	Whether confirmed or not confirmed.

The Honourable Sir George Schuster: The information has been called for and will be laid on the table in due course.

LOCAL ALLOWANCE PAID TO SORTERS, ETC., OF THE POSTS AND TELEGRAPHS
DEPARTMENT STATIONED AT SILCHAR, GAUHATI AND TINSUKIA.

62. **Mr. Uppi Saheb Bahadur:** Will Government be pleased to state whether it is a fact that local allowance is paid to the sorters, etc., of the Post and Telegraph Department stationed at Silchar, Gauhati and Tinsukia? If so, will Government be pleased to lay on the table a statement showing the number of Hindus, Mussalmans, etc., who drew such allowance at each station during December, 1932? Were the members of the minority communities less than the proportionate number? Are Government prepared to issue orders to transfer a proportionate number of the members of the minority communities to those stationed in order to avoid preponderance of the majority communities?

The Honourable Sir Frank Noyce: The reply to the first part of the question is in the affirmative. As regards the second and third parts Government regret that the information required by the Honourable Member is not readily available and as the payment of local or compensatory allowance is not regulated on communal considerations Government do not consider it necessary to issue the orders suggested by the Honourable Member.

APPOINTMENT OF MUSLIMS TO THE OFFICE OF THE SUPERINTENDENT,
RAILWAY MAIL SERVICE "S" DIVISION AND HEAD RECORD OFFICE,
SILCHAR.

63. **Mr. Uppi Saheb Bahadur:** How many clerks are sanctioned for the office of the Superintendent, Railway Mail Service, "S" Division, and Head Record Office, Silchar, and how many of them are Hindus, Mussalmans, etc.? If there is none, belonging to the minority communities, are Government prepared to issue orders to post a proportionate number of Mussalmans in these offices?

The Honourable Sir Frank Noyce: Government have no information. The postings of officials to particular offices are not made on a communal basis.

RECRUITMENT OF THE SORTERS OF THE MINORITY COMMUNITIES IN THE
RAILWAY MAIL SERVICE "S" DIVISION.

64. **Mr. Uppi Saheb Bahadur:** How many approved candidates for sorters have been registered in the Railway Mail Service "S" Division and how many of them are Hindus, Mussalmans, etc.? If the number of men belonging to minority communities is less than the proportionate number, are Government prepared to issue orders to take at once the required number belonging to the minority communities?

The Honourable Sir Frank Noyce: I propose to answer questions Nos. 64 to 66 together.

Government have no information and to collect it in the form desired by the Honourable Member would involve an undue expenditure of time and labour. If however the Honourable Member will bring to the attention of Government any specific case in which he considers that Government orders for the protection of the interests of minority communities in recruitment have not been observed, necessary enquiries will be made in the matter.

RECRUITMENT OF CLERKS OF THE MINORITY COMMUNITIES IN CERTAIN
POSTAL DIVISIONS IN ASSAM.

†65. **Mr. Uppi Saheb Bahadur:** Will Government be pleased to state the total number of permanent vacancies in the clerical cadre in the Surma Valley Division and Railway Mail Service "S" Division and in all the other Postal Divisions in Assam separately? How many of them have been filled up temporarily by Hindus, Mussalmans, etc., separately in December, 1931? Is the number of men belonging to minority communities less than the required number? If so, why?

RECRUITMENT OF MUSLIMS AS INFERIOR SERVANTS IN CERTAIN HEAD
POST OFFICES AND SUB-DIVISIONS IN ASSAM.

†66. **Mr. Uppi Saheb Bahadur:** Will Government be pleased to state the total number of permanent vacancies of postmen, mail guards, inferior servants, etc., separately in December, 1932, in the Sylhet, Kariangunj, Sunamganj and Cachar and such other head offices and sub-divisions in Assam separately? How many of them were filled up temporarily by Hindus, Mussalmans, etc.? Is the number of men belonging to minority communities less than the required number? If so, why?

FILLING UP OF EXISTING VACANCIES IN THE POSTS AND TELEGRAPHS
DEPARTMENT BY MUSLIMS.

67. **Mr. Uppi Saheb Bahadur:** Do Government propose to issue immediate orders to fill up the existing vacancies in all grades in the Posts and Telegraphs Department by Mussalmans and other minority communities in order to avoid further preponderance of the majority communities?

†For answer to this question, see answer to question No. 64.

Superintendent who was considered superfluous? On amalgamation, did Government consider the question of entrusting the whole work to one of the Assistant Secretaries or to a Superintendent with a charge allowance of Rs. 100 as is done in other Departments of the Government of India? If so, with what result?

(d) Are Government prepared to consider the desirability, in these days of retrenchment, of discontinuing that post immediately and entrusting the duties to one of the Assistant Secretaries and thus save Government from a loss of Rs. 10,000 per annum?

The Honourable Sir Frank Noyce: The arrangements obtaining in the office of the Industries and Labour Department have been devised with due consideration to efficiency and economy. Government do not propose to make any change at present.

KALKAJI FAIR HELD AT DEVI TEMPLE NEAR OKHLA, DELHI.

72. **Bhagat Chandi Mal Gola:** (a) Are Government aware that Kalkaji fair is held twice a year at Devi temple near Okhla about eight miles from Delhi?

(b) Is it a fact that a special tax is levied on vehicles taking pilgrims to the temple?

(c) Are Government aware that the road leading to the temple from the place where the tax is collected is in a dilapidated condition?

(d) If the answer to part (c) be in the affirmative, do Government propose to construct a *pucca* road right up to the temple?

Mr. G. S. Bajpai: (a) Yes.

(b) Yes, by the District Board, which meets the cost of sanitation, lighting, etc., in connection with the fair.

(c) and (d). The road is not in a good state of repair, but, as it is under private ownership at present, the question of improving it cannot be considered by the District Board until control of the road passes to that body.

LICENCE FEES FOR CHARAS SHOPS IN DELHI.

73. **Kunwar Hajee Ismail Ali Khan:** Will Government kindly state the amounts of increase or decrease in the licence fees for *charas* shops in the year 1931-32 as compared with previous years in Delhi?

The Honourable Sir George Schuster: With your permission, Sir, I will deal with questions Nos. 73 and 74 together.

I have called for a report in the matter and the information will be laid on the table in due course.

INCREASE OR DECREASE IN THE EXCISE REVENUE IN DELHI.

†74. **Kunwar Hajee Ismail Ali Khan:** Will Government kindly state what was the total amount of increase or decrease in the excise revenue that occurred at the excise auctions for the years 1932-33 and 1933-34 as compared with the licence fees of the year 1931-32 in Delhi?

†For answer to this question, see answer to question No. 73.

IMPORTS OF ILLICIT COCAINE INTO CALCUTTA.

75. **Kunwar Hajee Ismail Ali Khan:** Are Government aware that illicit cocaine is received in Delhi from Calcutta? If so, will Government kindly state what is their information as to the extent of imports of illicit cocaine into Calcutta and whether its imports are decreasing as compared with the previous years or not?

The Honourable Sir George Schuster: Delhi is believed to receive its supply of illicit cocaine mostly from Calcutta. The seizures of cocaine in Bengal (mainly at Calcutta) during the last five years were as below:

	In lbs.	
	By Customs Department.	By Excise Department.
1927 . . .	51	47
1928 . . .	89	22
1929 . . .	447	430
1930 . . .	102	40
1931 . . .	50	11

The inference seems to be that the illicit imports of cocaine have considerably decreased.

SALE OF CHARAS IN DELHI.

76. **Kunwar Hajee Ismail Ali Khan:** Will Government kindly state how many seers of *charas* were sold in the licensed shops of Delhi in the years 1921-22, 1926-27 and 1931-32, respectively?

The Honourable Sir George Schuster: The sale of *charas* in Delhi during 1921-22, 1926-27 and 1931-32 was as follows:

	(In seers.)
1921-22	2740
1926-27	1010
1931-32	3581

RECRUITMENT OF MEN IN CERTAIN CADRES OF SOME POSTAL CIRCLES.

77. **Mr. S. C. Mitra:** (a) Will Government be pleased to state how many clerks, sorters and selection grade posts up to the grade of Rs. 250—350 there were on the 1st April, 1932, in each of the following Postal Circles: (i) Bengal and Assam, (ii) Bombay, (iii) Madras, and (iv) Punjab and North-West Frontier?

(b) Will Government further state how many (i) selection grade posts up to the grade of Rs. 250—350, (ii) clerks, and (iii) sorters have been retrenched in the above circles up to the 31st January, 1933?

Sir Thomas Ryan: (a) and (b). Government regret that the information required by the Honourable Member is not readily available. His attention is, however, invited to the replies given in this House to his starred question No. 205 on the 13th September, 1932, and to his unstarred questions Nos. 235 and 236 on the 12th December, 1932.

RETRENCHMENT OF TELEGRAPHISTS AND TELEGRAPH MASTERS.

78. **Mr. S. C. Mitra:** (a) Will Government please state the number of telegraphists on the 31st December, 1932, and how many were retrenched up to the 31st January, 1933?

(b) Will Government please state the number of Telegraph Masters on the 1st April, 1932, and how many posts have been retrenched up to the 31st January, 1933?

Sir Thomas Ryan: (a) As regards the first part, the number was 2,676, including 61 military telegraphists.

As regards the second part, the number of telegraphists retrenched or under orders of retrenchment from the 31st December, 1932, up to the 31st January, 1933, is 91.

(b) As regards the first part, the number was 312. As regards the last part, the number is 48.

RETRENCHMENTS IN THE TELEGRAPH TRAFFIC AND TELEGRAPH ENGINEERING BRANCHES OF THE TELEGRAPH DEPARTMENT.

79. **Mr. S. C. Mitra:** (a) Will Government be pleased to state if it is a fact that a committee was appointed by Government with Mr. S. P. Varma as Chairman to inquire into the possibilities of retrenchments in the Telegraph Traffic and Telegraph Engineering Branches of the Telegraph Department?

(b) If so, do Government propose to publish their report for the information of the Members of the Assembly?

(c) Is it a fact that the said Committee have recommended reduction in the number of officers in the Telegraph Engineering as well as in the Telegraph Traffic Branches? If so, how many officers have they recommended for reduction?

(d) Will Government please further state the number of officers on the 1st April, 1932, and the number of officers reduced in each of these two branches up to the 31st January, 1933?

(e) Is it a fact that the Committee have recommended reduction in the number of telegraphists and in the Calcutta Central Telegraph Office alone they have recommended the reduction of 157 posts?

Sir Thomas Ryan: (a) Not exactly; the Committee was concerned with the telegraph traffic service and only to a small extent with matters affecting the engineering branch.

(b) Government do not propose to publish the report, which is departmental in character; but a copy will be placed in the Library as soon as it has been printed.

(c) and (e). As I have just stated, the Committee was not concerned with the Engineering staff. Government have not yet been able to study the report and are therefore unable at present to furnish particulars of the recommendations contained in it: these will in due course be found in the copy referred to in my reply to part (b).

(d) I presume that by 'officers' the Honourable Member means gazetted officers. The information will be compiled and will be laid on the table. The Honourable Member will of course understand that any action taken up to date is in no way the result of the Committee's recommendations.

NON-FILLING UP OF VACANCIES IN THE READING BRANCH OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

80. **Mr. S. C. Mitra:** (a) Are Government aware that great discontentment prevails in the Reading Branch of the Government of India Press, New Delhi, for not filling the posts of two temporary Proof Readers lying vacant for a long time?

(b) Is it a fact that the Manager of the Press put up a note to the Head Reader and Assistant Manager for their recommendations for filling these posts?

(c) Is it also a fact that they sent their recommendations to the Manager for his final signature a long time ago?

(d) Is it also a fact that the Manager verbally promised to the Secretary of the Works Committee that he would fill up the post?

(e) If the reply to part (d) be in the affirmative, will Government please state why the Manager is not keeping his pledge?

(f) Is it not a fact that the season is in full swing now in the press owing to a heavy rush of work? If so, what is the reason for not filling these posts?

(g) Do Government contemplate abolishing these posts? If so, why?

The Honourable Sir Frank Noyce: (a) No: the posts have been filled.

(b) and (c). Government cannot give particulars of departmental discussions relating to the filling of appointments.

(d) Yes.

(e) and (f). Do no arise.

(g) No.

INSTITUTIONS AUTHORIZED TO SEND TRAINED MEN FOR APPOINTMENT AS GENERAL SERVICE AND STATION SERVICE TELEGRAPHISTS.

81. **Mr. M. Maswood Ahmad:** (a) Will Government please state the names of the institutions that were authorised before 1929 to send trained men for appointment as general service and station service telegraphists?

(b) Was any Hindu, Muslim, Sikh or Parsee ever recruited as a general service telegraphist from any of these institutions? If not, why not?

(c) Was any Muslim or Sikh ever recruited as a station service telegraphist from any of these institutions? If not, why not?

The Honourable Sir Frank Noyce: (a) The following institutions were authorised to train candidates for appointments of—

(i) General Service Telegraphists:

(1) Lawrence Memorial School, Lovedale.

(2) St. Joseph's College, Comoor.

(3) St. Fidelis' High School, Mussooree.

(4) Barnes High School, Deolali.

(ii) Station Service Telegraphists:

(1) Scottish Churches College, Calcutta

(2) Ashutosh College, Calcutta.

(b) and (c). As regards the first parts, no one of the communities mentioned was recruited as a General Service Telegraphist and only one, a Muslim, was recruited as a Station Service Telegraphist from these institutions. As regards the second parts Government presume that the reason was that none or very few of the members of the communities in question underwent the necessary training at these institutions.

The Honourable Member is no doubt aware that the system of recruiting telegraphists has been completely altered since the period to which his question relates.

COMMUNAL COMPOSITION OF CLERKS IN THE PATNA, MUZAFFARPUR AND CUTTACK TELEGRAPH OFFICES.

82. **Mr. M. Maswood Ahmad:** (a) Will Government please lay on the table a statement showing the communal composition of clerks in the Patna, Muzaffarpur and Cuttack Telegraph offices in the Bihar and Orissa Circle?

(b) Will Government please state the number of non-Muslim clerks appointed since 1920, in the above offices, in the second and third grade and lower division?

(c) Is it a fact that since 1920, not a single Muslim clerk in any grade or division was appointed in the above mentioned telegraph offices?

(d) Will Government please state if these posts were ever advertised, and, if so, in what paper and on what date?

(e) Will Government please state the number of Muslim and non-Muslim candidates who appeared in the examination held for any of the above posts with their results since 1920?

The Honourable Sir Frank Noyce: (a) to (e). Government regret that the information is not available. The orders for the adjustment of communal inequalities came into force in the Posts and Telegraphs clerical cadres only from November, 1927. In this connection, I would refer the Honourable Member to the latter part of the reply given to Mr. Muhammad Anwar-ul-Azim's starred question No. 432 in this House on the 21st February, 1933.

NON-EMPLOYMENT OF MUSLIMS AS ELECTRICAL SUPERVISORS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

83. **Mr. M. Maswood Ahmad:** (a) With reference to the reply by the Honourable Sir Frank Noyce to starred question No. 1373, dated the 22nd November, 1932, stating that the percentage of the Muslim Electrical Supervisors in the Posts and Telegraphs Department in 1927 was 1.55 and in 1931 1.53 and the strength of the cadre was 58 in 1927 and 65 in 1931, will Government be pleased to state how the Muslim representation in the cadre was allowed to decrease when the strength of the cadre was on the increase?

(b) Will Government please state whether qualified Muslim candidates were available for employment in the Electrical Supervisor cadre from 1927 to 1931 from (i) the staff, and (ii) outsiders?

(c) If the reply to the above be in the affirmative, will Government be pleased to state the reasons for not appointing Muslims in this cadre?

The Honourable Sir Frank Noyce: (a) For the purpose of recruitment the cadres of Electrical Supervisors and of Engineering Supervisors (General and Telephones) are taken as one. The method of recruitment to the latter cadres explained in my reply to part (b) of the Honourable Member's unstarred question No. 24 applies to the former cadre also. Excluding two Muslims, one selected on communal grounds and the other on merit, for appointment to the grades of Engineering Supervisors (General and Telephones) no other Muslim secured qualifying marks among the candidates appointed since 1929. The appointment of a Muslim to the cadre of Electrical Supervisors was therefore not possible.

(b) No.

(c) Does not arise.

NON-EMPLOYMENT OF MUSLIMS AS ENGINEERING SUPERVISORS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

84. **Mr. M. Maswood Ahmad:** (a) Is it a fact that, according to the statement of the Honourable Sir Frank Noyce in reply to starred question No. 1373, dated the 22nd November, 1932, Government officials failed to carry out the instructions of the Government contained in the Home Department Memorandum No. F.-175/25-Ests., dated the 5th February, 1926, and that since 1925, not a single Muslim was taken in the superior traffic branch, first and second divisions, and in the superior wireless branch?

(b) Is it a fact that prior to the introduction of the said Home Department memorandum, the proportion of Muslims in the grade of Engineering Supervisors, General and Telephone, was 6.2 per cent., and after the instructions of the Home Department to remove the preponderance of any one community, it went down to 5.2 per cent. as per details below?

	1925.		1927.		1929.		1931.	
	Muslim.	Non-Muslim.	Muslim.	Non-Muslim.	Muslim.	Non-Muslim.	Muslim.	Non-Muslim.
Engineering Supervisors, General and Phone .	9	144	9	171	9	172	11	210
Muslim Percentage .	6.2%		5.2%		5.2%		5.2%	

The Honourable Sir Frank Noyce: (a) No. Appointments to the First and Second Divisions of the Superior Traffic Branch are not made by direct recruitment but by the promotion of selected subordinates and communal considerations do not arise in such promotions, nor do the orders quoted

refer to them. No direct recruitment has been made to the Superior Wireless Branch for the last six years and there was no necessity for giving weightage to communal considerations.

(b) The percentages stated by the Honourable Member are substantially correct. Appointments to these cadres were made prior to 1st January, 1929, from the ranks of selected telegraphists who were given special or practical training. Communal considerations do not arise in such appointments. From 1st January, 1929, half of the appointments to these cadres are made by direct recruitment of outsiders and half by promotion of departmental subordinates. Communal considerations come into the matter only in respect of the direct recruits.

ABSORPTION OF SURPLUS JUNIOR TELEGRAPHISTS.

85. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the Director General, Posts and Telegraphs, has ordered to absorb surplus junior telegraphists by employing them temporarily in Combined Post Offices or in vacancies of signal room clerks?

(b) If the reply to part (a) be in the affirmative, will Government please state the number of telegraphists temporarily employed in the Combined Offices in Calcutta?

(c) Are Government aware that these orders have been violated in the Central Telegraph Office, New Delhi, where five senior telegraphists are employed on non-operative jobs and not junior telegraphists?

(d) Is it a fact that two senior telegraphists are utilised on non-operative jobs also at the Delhi Telegraph Office?

(e) If the reply to part (d) above be in the affirmative, will Government please state if these two telegraphists were in excess in that office and were utilised according to the Director-General's letter No. Est.-333-1/32, dated the 1st September, 1932?

Sir Thomas Ryan: (a) The fact is that according to the Director General's orders Heads of Circles are to select, at their discretion, surplus telegraphists for the duties referred to, having due regard to the desirability of selecting junior men.

(b) 23.

(c) The orders do not refer to the distribution of staff in the Central Telegraph Office.

(d) and (e). Government have no information, the matters are entirely within the competence of the Head of the Circle concerned.

EMPLOYMENT OF TELEGRAPHISTS IN THE CENTRAL TELEGRAPH OFFICE, NEW DELHI, AS DESK SUPERVISORS.

86. **Mr. M. Maswood Ahmad:** (a) Is it a fact that several telegraphists in the Central Telegraph Office, New Delhi, are employed as Desk Supervisors on non-operative duties and are in receipt of an allowance of Rs. 20 each?

(b) What are the regulations for selecting men for these kinds of supervisory posts with an allowance?

(c) Is it a fact that many senior men with twenty years and above service and having previous experience of Desk posts at Calcutta and other big offices are made to work at the instrument, whereas their juniors of no extra qualifications are benefited with the supervisory posts with an allowance of Rs. 20?

(d) Is it a fact that in the Central Telegraph Office, New Delhi, volunteers were called from among the senior telegraphists for the Desk supervisory post and that later, when the senior men volunteered for the same, the question was dropped and since then the senior men are waiting?

Sir Thomas Ryan: (a) Yes.

(b) A copy of the rules is placed on the table.

(c) and (d). Government have no information. If any individual considers that he has any grievance he is at liberty to submit a representation in the usual way.

MANUAL OF APPOINTMENTS AND ALLOWANCES.

CHAPTER X, PAGE 101, PARAS. 99-100:

For the existing paras. substitute the following:—

99(A).—The Head of a Circle may select telegraphists to draw the following special pay which has been sanctioned by the Government of India:—

- (1) A special pay of Rs. 10 a month for charge of a telegraph office in which the sanctioned staff of operatives, non-operatives and clerks (excluding the telegraphist in charge) is less than five.
- (2) A special pay of Rs. 20 a month for performing the duties of a Supervisor of desk work, the enquiry office, complaints branch, delivery office, public counter, paid calls and refund work and press traffic.
- (3) A special pay of Rs. 20 a month for holding charge of a telegraph office in which the sanctioned staff of operatives, non-operatives and clerks (excluding the telegraphist in charge) ranges from five to nine, and for performing the duties of Instructor in charge of training classes, testing telegraphist, Baudot Supervisor, Repeater Supervisor and Traffic Supervisor.

(B).—In selecting staff to fill the above mentioned appointments, other than the appointments of Baudot Supervisors, the order of preference should be as follows:—

- (1) telegraphists who have passed one of the examinations referred to in paras. 315 and 324 of the Posts and Telegraphs Manual, Volume IV, completed 15 years' service and passed the efficiency bar;
- (2) telegraphists who have passed one of the examinations referred to in (1) above;
- (3) telegraphists who have completed 15 years' service and passed the efficiency bar.

In each of the 1st two categories seniority will count from the date of passing the examination and in the case of category (3) from the date of appointment as Telegraphist.

(C).—In respect of the appointments of Baudot Supervisors the order of preference should be:—

- (1) telegraphists who have passed the examination referred to in paragraph 324 *ibid*;
- (2) telegraphists who have passed the examination referred to in paragraph 315 *ibid*.

In each of the above categories seniority will count from the date of passing the examination.

100. In short vacancies or when no Telegraphist with the necessary qualifications as detailed in rule 99 is available, a Telegraphist who has shown marked practical ability to perform the duties of an allowed post may be selected by the Head of a Circle to draw the special pay attached to that post.

1748

LEGISLATIVE ASSEMBLY.

[8TH MARCH 1933.]

ROTATION OF DUTIES OF TIME-SCALE CLERKS IN THE CENTRAL TELEGRAPH OFFICE, NEW DELHI.

87. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the Director-General of Posts and Telegraphs issued orders regarding fair rotation of duties of time-scale clerks in the Telegraph Offices in his communication No. Est.-A./29, dated the 15th October, 1929? If so, will Government please lay on the table a copy of the same?

(b) Is it a fact that the Director-General, Posts and Telegraphs, issued an order in August, 1929, stating that clerks employed in the Traffic Branch should be tried in the different branches of the office in rotation to make them efficient to do the work whenever and wherever necessary? If so, will Government please lay on the table a copy of the same?

(c) Is it a fact that several time-scale or upper division clerks in the Central Telegraph Office, New Delhi, and in the Telegraph Office, Delhi, have been declared unfit for promotion for the simple reason that they never worked in the Accounts and Establishment branches?

(d) Is it a fact that the senior clerks, declared unfit for promotion, were never given a chance of working in the Establishment or Accounts branches according to rotation?

(e) Is it a fact that the clerks in the Telegraph Offices are designated as signal room clerks?

(f) Is it a fact that a signal room clerk of ordinary time-scale is considered as efficient for future promotion, if he has got the knowledge of duties of all the branches in the Telegraph Office, and not only Establishment or Accounts branch?

Sir Thomas Ryan: (a) The reply to the first part is in the affirmative. As regards the last part Government do not propose to place on the table copies of the Departmental correspondence.

(b) The fact is not as stated. The last part therefore does not arise.

(c) and (d). Government have no information. If any official considers that he has a grievance he is at liberty to submit his representation in the usual way.

(e) Some only of the clerks in telegraph offices are so designated.

(f) The facts are substantially as stated by the Honourable Member.

ROTATION OF DUTIES OF TIME-SCALE CLERKS IN THE CENTRAL TELEGRAPH OFFICE, NEW DELHI.

88. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the following clerks have been working in one branch in the Central Telegraph Office, New Delhi, for the period mentioned against their names?

(i) Kanhyalal; (ii) Shamlal Gupta, working in the Accounts and Establishment branch for the last ten years or so; (iii) Abdul Majid, time-scale clerk working as a press clerk (typist) for the last twelve years; and (iv) Sundar Singh, time-scale clerk working as a drafts clerk for the last fourteen years.

(b) What action do Government propose to take against the officials concerned for evading the orders regarding rotation of duties of clerks in the time-scale as laid down in the Director-General, Posts and Telegraphs communication, No. Est.-A./29, dated the 15th October, 1929?

(c) Do Government realize that the retention of time-scale clerks in one particular branch is liable to render them unfit to carry on the work of other branches efficiently?

Sir Thomas Ryan: (a) Government have no information.

(b) None, the orders in question were not absolute but left the matter to the discretion of Heads of Circles.

(c) No, not necessarily.

CONVERSION OF CLERICAL APPOINTMENTS INTO LOWER DIVISION IN THE BENGAL AND ASSAM POSTAL CIRCLE.

89. **Mr. S. C. Mitra:** (a) Will the Government of India be pleased to state whether it is a fact that the Director-General, Posts and Telegraphs, has decided that 33 per cent. of the appointments in the clerical cadre would be converted into lower division?

(b) If so, will Government please state whether this scheme has been given effect to in the Bengal and Assam Circle?

(c) Has the Director-General decided that the approved candidates in the Calcutta Post Office for appointment in the Upper Division waiting for about four or five years should be provided with appointments in the lower division?

(d) Has the Director-General decided that approved candidates and signallers of the Calcutta General Post Office would be given preference in filling up Lower Division appointments?

(e) Does the Director-General know that the Postmaster-General, Bengal and Assam, pitchforked many officials from his offices and from the Central Telegraph Office into the cadre of the Calcutta General Post Office and absorbed vacancies to the detriment of many approved candidates and signallers long waiting for those appointments?

(f) Does the Director-General know that the Postmaster-General, Bengal and Assam, has recently brought ten men from the mufassil Post Offices to fill up the existing vacancies in the upper division in the Calcutta General Post Office, despite his orders to convert those vacancies into lower division and to fill them up by approved candidates?

(g) If so, are Government prepared to make enquiries as to why there has been a departure by the Postmaster-General, Bengal and Assam, from the principle enunciated by the Director-General and to rescind the orders?

Sir Thomas Ryan: (a) The decision that 33 per cent. of the operative clerical cadre should be in the lower division is that of the Government of India.

(b) Effect is being given to it.

(c), (d) and (e). The Honourable Member is referred to the statement laid on the table of this House on the 27th of February, 1933, in reply to parts (b), (e), (f), (g) and (h) of his own starred question No. 252 asked on the 8th of that month.

(f) and (g). Enquiry is being made and Government will take such action as they may consider necessary.

MESSAGE FROM H. E. THE VICEROY AND GOVERNOR GENERAL.

RESIGNATION BY THE HONOURABLE SIR IBRAHIM RAHIMTOOLA OF HIS OFFICE
OF PRESIDENT OF THE LEGISLATIVE ASSEMBLY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): I have received the following Message from His Excellency the Viceroy and Governor General.

(The Assembly received the Message standing.)

"In pursuance of the provisions of section 63C of the Government of India Act, I, Freeman, Earl of Willingdon, hereby signify that I accept the resignation by the Honourable Sir Ibrahim Rahimtoola, K.C.S.I., C.I.E., of his office of President of the Legislative Assembly."

(Sd.) WILLINGDON,

Viceroy and Governor General."

The 7th March, 1933.

EXPRESSIONS OF REGRET AT THE RESIGNATION OF THE
HONOURABLE SIR IBRAHIM RAHIMTOOLA.

The Honourable Sir Brojendra Mitter (Leader of the House): I am sure, Sir, that regret at the resignation of the President, the Honourable Sir Ibrahim Rahimtoola, must be universal in this House. When we heard at the beginning of the present Session that he was indisposed and could not, therefore, preside over our deliberations. I hoped that the indisposition would be short and that he would be back with us soon. Unfortunately, this has not happened, and Sir Ibrahim has had to resign his responsible and distinguished office under medical advice. We earnestly hope, Sir, that he will rapidly be restored to normal health. But, I am sure, that Honourable Members will not wish this occasion to pass without expression of our appreciation of his services as President of the Legislative Assembly. Sir Ibrahim came to this House with a varied and distinguished record of public service which included guidance, from the Chair, of the business of the Bombay Legislative Council for a period of four years. This House marked its recognition of his wisdom, experience and impartiality by electing him to the Chair. We all know, Sir, that he occupied that seat of honour with independence, with urbanity and with a steadfast sense of justice. (Loud Applause.) We shall greatly miss his tactful and judicious guidance and I would beg you, Sir, to convey to him, on behalf of Government, their keen sense of loss of a President who had earned, in full measure, the confidence, the esteem and the affection of every section of this House. (Applause.)

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): Sir, I rise to associate myself and my Party with everything that has fallen from the Honourable the Leader of the House. When Sir

(1750)

Ibrahim Rahimtoola was elected to the Chair of this House, it was a precedent that was unique and there were many of us who felt that the Chair should have gone to a Member of the House. But within a very short time, his selection was more than justified. He earned the confidence of all sections and communities represented in this House and, during the short tenure of his office as President, he carried out the duties of his exalted office with a degree of impartiality and personal detachment which earned for him the confidence and gratitude of all Members of this House. (Loud Applause.) Sir, when, at the commencement of this Session, we did not see his familiar face, we did not for one moment suspect that on the last occasion when we said goodbye to him, we were to see him no more at the head of this House. But as under medical advice Sir Ibrahim Rahimtoola has thought it fit to relinquish the reins of his office, all we can do is to convey to him through you, Sir, our heartiest sympathy with him in his illness and our sense of gratitude for the signal services he has rendered during his incumbency of the Presidentship of the Indian Legislative Assembly. (Applause.)

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Sir, everyone of us here has heard with profound regret of the resignation which has been tendered by Sir Ibrahim Rahimtoola of the high office of President of the Legislative Assembly. Sir, when he came here as a Member of the Assembly, being elected by a constituency in Bombay, with his great and distinguished career in various public capacities behind him, none of us had any doubt that he would render signal public service as a Member of the Assembly. When he expressed his desire to occupy the Chair, all of us thought that in him we should have a President who would render very valuable service to the cause of self-government in the country, and, Sir, his election was more than fully justified. (Applause.) In the Chair, he displayed an absolute familiarity with the Rules and Standing Orders of the House; not only that, but he knew what was necessary in order to forward the interests of the Assembly so that we may achieve our objective of reaching the final stage of Parliamentary Government in this country. Sir, his rulings were strictly in accordance with the law that governs this Assembly, and he conducted himself in the Chair with an impartiality and fairness which impressed every Member of the House. Sir, he was indeed so scrupulous as regards giving every man a chance in the House that none, not a single Member, could justly complain of the way he dealt with the agenda of business before the Assembly. Sir, it is with very great regret that we have heard that ill-health has compelled him to resign his post, because we know that he wanted to serve the public as long as he could. We all hope and earnestly pray that he may soon be restored to health and give such guidance to the public of this country even in his retreat as may be possible. Sir, I heartily associate myself and my Party with whatever has been said by the Leader of the House and by Sir Hari Singh Gour, and we want this message to be conveyed to him containing an expression, of our sense of the loss that we have sustained by his resignation.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I and my Party have learnt with the greatest regret of the continued illness of Sir Ibrahim Rahimtoola, and his resignation on account of that

[Mr. Muhammad Yamin Khan.]
 illness. We gave him full support in his election to the Chair, and we have always felt that we were more than justified in lending our full support to him. Sir, he acted very impartially and up to the very highest traditions of the House and indeed of any Parliament. (Loud Applause.) He was, in the Chair, never known to have faltered. He always showed the greatest skill in mastering the procedure and conducting the proceedings of the House in the best possible manner. It is a great loss to the House that he has to resign; in him we are losing one of the best men we can get in our country. Sir, I whole heartedly support every word that has fallen from my Honourable friend, the Leader of the House, and I and my Party associate with the motion.

Sir Leslie Hudson (Bombay: European): Sir, on behalf of the European Group I wish to associate myself with all the sentiments that have fallen from the previous speakers this morning in regard to the most regrettable resignation of Sir Ibrahim Rahimtoola. Those of us who come from the Presidency of Bombay realised when he was elected to the Presidential Chair of this Honourable House that from our knowledge of his public work in the Presidency of Bombay culminating in the four years in which he held the Presidential Chair of the Provincial Council, we could with confidence leave the conduct of business in this House in his very capable hands. That confidence, Sir, has been entirely justified. His impartiality, the clarity of his decisions and the logical reasoning which led to those decisions have been most striking, and it is indeed with regret that we shall not see him in that Chair again. I join in hoping that his health may soon be restored and, as Sir Abdur Rahim has well said, that in his retirement he may still be able to work for the benefit and progress of India.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): Sir, it is quite evident that the news of the resignation of Sir Ibrahim Rahimtoola has been received in this House as in the whole country with the greatest possible regret. That regret, however, must be tempered with the thought that this well-earned rest will restore him to full health and ensure him still a long life of usefulness to the country. Sir, to few, to the very fortunate few, is vouchsafed the credit of having served their community, their country and their King with distinction, and to the entire satisfaction of all concerned. That credit indisputably is Sir Ibrahim Rahimtoola's. With these words I associate myself and my Party with what has fallen from the Honourable the Leader of the House and the previous speakers.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Sir, I join with the Leader of the House in all that he has said *viz.*, an expression of sorrow on behalf of the Members of this Assembly at the resignation of the Honourable the President. Sir Ibrahim Rahimtoola was not only a popular figure in this Assembly, but he was well-known all over India. As a practical man, he has throughout his career in this country achieved brilliant success not only as the presiding figure among veterans in this Central Legislature, but also in the Provincial Council. Having been associated with him closely for the last five years, I can say that he was

a marvellous man with an extraordinary amount of experience and knowledge of the practical life of the country. And not in the Legislature alone, but in every sphere he was ready and willing to devote his services for the benefit of the country. In 1929, when he was on the Labour Commission, we travelled together in every province and from the merchants and municipalities in every town he was receiving addresses with regard to the great work he was then doing. Thereafter, we went to England. There also Sir Ibrahim Rahimtoola rendered great service not only in the work on which he was engaged, but when there was internal trouble in the Commission, he used to give sound advice and bring the discussion to a conclusion without much trouble. He was an intelligent and a practical man. In the year 1931, we were very glad to find that before he left his work on the Commission, it was desired by Government that an important position like the Presidentship of the Assembly should be occupied by a man of his distinction. Every one of us welcomed him here and when we parted from him for a short time from the midst of his arduous work of the Royal Commission, he was brought in to this Assembly in the year 1931.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. The House is always indulgent to the Honourable Member and is always interested in listening to what he says. But he should not abuse that indulgence and I request him to cut short his remarks now.

Mr. K. Ahmed: In cutting short my remarks, Sir, I must add that he was above conspiracy and was never a partisan. He never allowed any party feeling to be hatched while in the Chair. I hope that his recovery will take place soon and that it will not take long time when we shall see him again in our midst. I think it is a great pity that we have to express our sorrow for a man of the status of Sir Ibrahim Rahimtoola as he has not been able to complete his full term on account of his failing health and I join with other Members in appreciating the service that he has rendered to this Assembly. But, Sir, I hope that another President of long experience having the same status, if possible, and practical knowledge will be very soon elected, and I agree that the Resolution in this Assembly should go to Sir Ibrahim Rahimtoola giving the full expression of this House that we are very sorry that he is not here to guide us.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): I wish to associate with all that has been said by various Honourable Members of this House in appreciation of the great services rendered by Sir Ibrahim Rahimtoola, not merely as the President of this House, but as a distinguished public servant of this country. (Applause.) In my capacity as Deputy President, it was my good fortune to come into more intimate contact with Sir Ibrahim Rahimtoola than probably many Honourable Members of this House, and, as a result of that personal and intimate contact, I can say that in him I found one who encouraged the younger members of this House. What little knowledge I possess of the rules and procedure of this House, I owe to what I learnt at the feet of Sir Ibrahim Rahimtoola. (Applause.) Though when he came to us in 1931 he was new to this House, yet he came to us with a distinguished record of public service, and the House honoured itself and

[Mr. Deputy President.]

honoured the country by electing him as the President of this Assembly. (Loud Applause.) In accepting the office I remember the words that he used on that occasion that he would strive to get honours marks and would be satisfied if he got pass marks; and, after two years of stewardship of this office, we might all unanimously pronounce that he has not merely won honours, but honours with distinction (Loud and Continued Applause.) He has been a zealous guardian of the rights and privileges of this House, specially of the non-official Members, and the House will remember the great service that he rendered to us, and, through that office, the great service that he rendered to the country in building up the tradition round this Chair. It will be my privilege to convey to Sir Ibrahim Rahimtoola our grateful appreciation of the great services that he has so far rendered and our good wishes to him that he may soon be restored to normal health, so that he may for many years more place his services at the disposal of this country. (Loud Applause.)

ELECTION OF THE PRESIDENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): I should like to take this opportunity to announce for the information of Honourable Members that in pursuance of sub-rule (1) of rule 5A of the Indian Legislative Rules, His Excellency the Governor General has been pleased to fix Tuesday, the 14th March, 1933, as the date for the holding of the election of the President of the Legislative Assembly. In this case nominations of candidates for the Presidentship must, under sub-rule (2) of that rule, be delivered to the Secretary before Noon on Monday next.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND NO. 39—ARMY DEPARTMENT—*contd.*

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now resume consideration of Demand No. 39—Army Department.

Military Expenditure.

Mr. B. Sitaramaraju (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Sir, I move:

“That the demand under the head ‘Army Department’ be reduced by Rs. 100” to discuss the military expenditure.

This demand for a reduction of the enormous expenditure being incurred under military charges is not a demand of today or yesterday. It is a demand which has been the theme of constant discussion and continuous agitation both in the press and on the platform. Year after year we have been discussing here this expenditure. The demand for a reduction of this expenditure is as old as the Congress itself, though it is

said that the sole delegate of the Congress before the Round Table Conference considered that the whole expenditure under this head is a sinful waste and that he would rely on the goodwill of his neighbours. Sir, I am not prepared to go so far as that. The goodwill of our neighbours is undoubtedly a security, but a well loaded gun is a better security. In these days when civilization is measured by the ability of scientifically killing each other, I consider a well equipped Army is after all the best security. But that does not mean that we should spend the major portion of our income merely for the purpose of defending us from what?—not enemies, prospective or contingent, but only for the purpose of incurring expenditure in the belief of fighting somebody someday. Sir, I am not unmindful of the fact that the Honourable the Finance Member in his speech said that a reduction was made in this direction. At any rate from the figures since 1929-30 a small reduction is noticeable. But the Honourable the Finance Member has, however, been frank enough to state:

“I know that a great part of their work has been, not the elimination of unnecessary or wasteful expenditure, but the giving up of cherished schemes destined to increase the efficiency of the Army or the amenities for the troops. They have given them up without rancour, because they recognised the greater urgency in the public interest of preserving financial equilibrium.”

Further he said that the reduction was mostly due to the fall in commodity prices and he assured us that the most part of this reduction was due to that fact and he warned us again that:

“If prices were to rise again, as in the general interests of the country, one must hope they will, obviously under this head charges would increase.”

Again, he says:

“I must also point out that this budgetary provision includes no margin for unforeseen expenditure, or for the continuance of the re-equipment programme which was laid down in 1928 and which is still being financed (to the limited extent which is possible) from reserves accumulated under the stabilised military budget system which was then inaugurated.”

This shows that we cannot with any confidence say that the figure of 47 crores and odd is one that we can safely take even as the limit for expenditure that will be incurred by them. No doubt the Honourable the Finance Member was satisfied with the achievements in that direction: but we are not satisfied, because even 47 crores is a very big sum; and when we consider that there are several other items like Strategic Railways, Posts and Telegraphs and such like maintained for the Military, and if they were all to be brought under the same head, then the expenditure would be far higher than is shown now. The Retrenchment Committee had made certain recommendations; and although the Government had given effect to a few of these recommendations, still the whole retrenchment suggested by them has not been carried out, nor the avenues that had been pointed out explored. It is not my purpose to go into the past when I deal with this military expenditure and the heavy burden that has been hanging like a mill-stone round our necks all these years. I could, if I liked, have referred to the Simla Army Commission, the Inchcape Committee's Report, and other reports; but those reports would only emphasise

[Mr. B. Sitaramaraju.]

the obstinacy of the Government to maintain this expenditure at this high standard, but for want of time it is not necessary for me now to repeat them. I pass on. I propose to start with the bible, the bible of the bureaucracy, the book by which the Churchillian die-hards are swearing—I mean the Simon Commission Report. In Vol. II, paragraph 248, they say:

“An outstanding feature of this summary is the high proportion (62½ per cent.) which current expenditure on defence bears to the total expenditure of the Central Government—a higher proportion in fact than in any other country in the world . . . In the case of a federation, for example, which combined for purposes of defence only, military expenditure would absorb one hundred per cent. of the federation's budget . . . It is to be remembered that the extent to which taxation is felt as a burden depends very largely on the objects on which a Government spends its revenue . . . Again, wise expenditure on social services and particularly on health and education should be remunerative in the sense of increasing the wealth-producing power and, therefore, the taxable capacity of a country. Security is, of course essential if production is to develop; but it cannot be claimed for expenditure on defence either that it is a mere redistribution of income or that it promotes productive efficiency. Indeed, economically speaking, it is the most burdensome form of expenditure, and this is particularly the case where, as in the case of India, the Army contains a large element drawn from elsewhere.”

Further on they say:

“But apart altogether from the question of other forms of expenditure in India, the defence charge is undoubtedly high. A recent comparison of the military expenditure of the nations of the world shows that in this respect India is seventh on the list among the Great Powers and that her expenditure on armaments is between two and three times as great as that of the whole of the rest of the Empire outside Great Britain. The total is not only high in itself and as compared with other countries, but it has also greatly increased as compared with the pre-war situation. India in fact has not obtained any relief from the greater sense of world security, which has succeeded the World War. On the contrary her defence expenditure has risen even after allowing for the rise in prices and has grown more rapidly than in other parts of the Empire.”

Honourable Members are aware that before the war the expenditure stood below 30 crores; but, immediately after the war, when other nations were reducing their expenditure on the Military, the Government of India increased their expenditure nearly double. And all that for what? Not because they had to fight another war, but merely because they wanted to provide more amenities and comforts for the soldiers; and thus an expenditure to the tune of 30 crores was added annually to the military expenditure. In the Simon Commission Report, they say at page 170 . . .

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Will you kindly speak up? We cannot hear even half of what you are saying.

Mr. B. Sitaramaraju: I am sorry: I am having a bit of temperature. They say:

“Much discussion arises in India from time to time as to whether it is equitable for India to find so large a sum for this purpose, and this discussion revolves round the question—What is the army in India really for? We are aware that since the Statutory Commission was appointed the military burden which ought not to be charged against Indian revenues has been under discussion between the Government of India and the Home Government and we therefore refer to it with all possible reserve.”

This, Sir, is to be found in the majority report of the Simon Commission itself. I will refer to it a little later when I deal with the question of the contribution from the Imperial Exchequer towards the maintenance of this army. Finally on this question the Simon Commission Report says:

“We appreciate the fact, however, that, in the end, a self-governing India can only hope to function with reasonable prospect of success if it can command military forces of its own, and our proposal helps to remove an obstacle to the ultimate possession of such forces.”

That will also bring in the question of Indianisation about which I will refer a little later. But from these passages it will be clear that even the Statutory Commission thought that the expenditure we incurred for military purposes in this country is far above our means, far more than we could afford to spend and certainly most unjustifiable in these days when nation-building activities are made to suffer in consequence of that; and when in future we have possibilities of a self-governing India, where the people can hope to have some more national activities being financed from the Central Government, we find that this will be a great handicap, and for that reason I maintain that this very big sum of 47 crores, not counting the other items that I have mentioned, should be reduced and ought to be reduced, and I submit that it can be done in three ways. One is by the reduction of the strength which is maintained at a very high figure, or if the strength is considered necessary, not for India's defence, but for Imperial purposes, to secure a contribution from the Imperial Exchequer. No. 2 is the stopping of the unjust exactions of England like capitation charges and the like from us; and No. 3 is to eliminate the wasteful and unnecessary expenditure that may be found in the various charges under this head. I propose to address myself to the first of these, that is, the strength of the Army.

Honourable Members are aware that at a time when it was necessary to reconquer India in 1859, the army then found necessary was just half of what it is today. It is not necessary for me to refer—for want of time I cannot do so—even to the Simla Army Commission Report which stated that the Empire element in this Army was far in excess and that it should be reduced. Further a British soldier costs many times an Indian soldier.

12 NOON. Sir, there are *prima facie* grounds that we need not maintain such a huge strength, because we have no warlike enemies on our borders. There was once the old Russian bogey. The modern Strategic Railway which we have built and the transport facilities that we possess enable us to move much more quickly, and mobilisation can be done in the shortest possible time. We have, again, the armed police and volunteers, and the bogey of North-West Frontier is not so real as it is made to appear to us. I am perfectly aware of the argument brought against this contention that the strength of our Army is not far in excess of our demands and my friend, Mr. Arthur Moore, on the last occasion said that the land frontiers of India were such that the present strength was absolutely necessary. Unfortunately, on that occasion I had no opportunity to reply to him, but, Sir, I will do it today. I would invite the Honourable Member to study the map of India where he will find that we have an impregnable mountain barrier and our land frontiers, instead of their being a source of weakness, are a source of strength for us.

1758

LEGISLATIVE ASSEMBLY.

[8TH MARCH 1933.]

[Mr. B. Sitaramaraju.]

I come to the next question, the contribution from the Imperial Exchequer. In this connection I would like to read from a speech delivered by the Secretary of State before the House of Commons. Mr. Wedgewood Benn said this. This is to be found in the Parliamentary Reports of 9th July, 1931, at page 2309. This is what he said:

—Reference to exactions by way of Capitation Charges and Transport Charges—

"That arbitration has been agreed to in principle and the arrangements for it are proceeding, and coupled with it in the terms of reference, following the Report the Right Honourable Member for Spen Valley, Sir John Simon, is an inquiry as to what element of Imperial interest is involved (in the Army strength), and on that account what contribution, if any, from Imperial sources should go to the Indian Exchequer."

This was the speech delivered by Mr. Wedgewood Benn, and this, coupled with the passage I have read from the Simon Commission's Report, will show to Honourable Members that on principle it was agreed that the strength of the Indian Army is an Imperial strength, and if an older authority is necessary for this purpose, I can quote from Mr. Buchanan's from the Army Commission Report, in which he said that India's military strength was Empire's strength, and in discharging the Imperial duties the burden rightly fell on the Imperial Exchequer. Now, I am perfectly well aware of the fact that a Capitation Rates Tribunal had been appointed, but that only satisfies our demand in one direction, but the question as to how far the Imperial Exchequer is to bear a portion of the burden which is incurred for keeping such a huge army in this country has not found a place in this reference which was made to that Committee. In view of the fact that the Secretary of State had made the statement, and in view of the fact that the statement has been made by the Simon Commission Report itself that the Government of India at the time was actually in correspondence with the Government in England for that purpose, we would like to know, Sir, that why no attempt has been made to let us know the result of the negotiations between Great Britain and the Government of India, and why we were not taken into confidence. We do not know even whether that subject is to all intents and purposes closed, because there has been a change in the ministry in England. That is a matter which requires the careful consideration of this House, and I venture to submit that there is absolutely no reason why we should maintain a huge army over and above our actual needs, and it is but just and right that a portion of its cost should be borne by the Imperial Exchequer.

The second point was about the Capitation Tribunal itself. I do not propose to go into it for want of time. I have got only three minutes more. I understand that their report is about to be published, or at any rate it was the wish of the House that it should be published, and the Government of India assured us that the wish of the House would be given effect to.

Now, Sir, I come to the question of retrenchment in the current budgeted expenditure under the various heads. We find from the notes appended to the Budget on military expenditure that there are several passages in which it is shown that there has not been retrenchment. For instance, I will take page 85 as an illustration. There the Budget for

1933-34 is more than the Budget for 1932-33 by 51 lakhs in one particular item, and it is stated that the increase was due to the promotion of officers and increment to establishments. Again, at page 144, we find that the Budget for 1933-34 is more than the Budget for 1932-33, and there we find a number of increases which were not to be found in the previous year. There are hundreds of similar other instances, and if one were to go carefully through the figures, it will be seen that there is a possibility of effecting an enormous reduction even in the current Budget. The elimination, as has been admitted, of wasteful and unnecessary expenditure has not been so far attended to, and the major portion of the reduction has been largely due to the fall in prices which in reality is not a reduction, but only a windfall that has been secured by the military authorities.

Then, again, Sir, we do not find sufficient reduction in the auxiliary forces, to the extent it is desirable, has been made, and it is very unfortunate that Members of this House, who were appointed to go into the Committee, could not devote all their time. The President of that Committee, Diwan Bahadur Rangachariar, was unable to continue his labours, because his health did not permit him to do so, and my friend, Diwan Bahadur Ramaswami Mudaliar, and Sir Edward Benthall who were on this Committee, had occasionally to go to the Round Table Conference. In spite of that, they have tried their best to suggest certain reductions, and I am very sorry to find even in this direction the recommendations made by that Committee have not been fully given effect to.

Now, I would like to close with only one or two remarks, and that is with reference to the manner in which the Stores Department is working. I do not see any reason why there should be a separate Stores Department when we have got the Indian Stores Department for the Government of India purposes which can very well assist the Army Department as well.

Again, Sir, there is the question of Ordnance Factories. I do not refer to my Honourable friend, the Home Member's Department which is not exactly an Ordnance Factory, but it is only a factory which manufactures Ordinances. But, Sir, in regard to these Ordnance Factories, recommendations have been made by the Sub-Committee that the establishment should be reduced and the minimum of staff necessary for the production of weapons, etc., should be retained. They also recommended that it is not proper that these factories should work only 15 per cent. of its total capacity, that these factories should be given opportunities to work to their full capacity and wherever they are considered unnecessary they should be scratched. As my time is up, I close with these few remarks, and I move that this motion be accepted by the House.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Army Department' be reduced by Rs. 100."

Mr. Arthur Moore (Bengal: European): Sir, before making any more detailed observations on the question of army retrenchment, I should like to say how much we on this side of the House appreciate the very substantial result which has already been achieved. My friend, Mr.

[Mr. Arthur Moore.]

Sitaramaraju, has just quoted the Simon Report, and I might remind him that Sir Walter Layton in his financial Report, which was published with the Simon Commission's Report in 1930, said that the best he could hope for was that after the mechanisation programme had been completed, it might be possible to get the Budget down to 52 crores, and thereafter, at some future date, it might be possible to hope for further economies from the fall in prices. Now, we must recognise that the mechanisation programme has not yet been completed and yet the Army have got their Budget down to the neighbourhood of 46 crores. That is a real achievement and could only have been produced by a strong man who had grasped the financial urgency of the situation and its true bearing on the military situation, and I can assure His Excellency that the congratulations that we extend to him, on receiving the Field-Marshal's baton, are just as sincere as is the enthusiasm of the Army for their Commander. Sir Philip Chetwode has proved that he can win battles in peace as well as in war, and we confidently look to him to pursue the path of economy. I hope that as a result of the Capitation Committee there is going to be some permanent relief; but as regards the general question of economy, I am content to rely confidently on the Commander-in-Chief to insist that the public get every advantage possible from the fall in prices.

But, Sir, we live in dangerous times. The paramount consideration is the efficiency of our defence. We must, whatever the cost, be prepared to secure that the new Indian nation remains inviolate and inviolable; and there is one respect in which I confess I am not satisfied. Mr. Sitaramaraju has referred to India's impregnable mountain barriers. I am afraid that my Honourable friend is comforting himself with a resounding phrase. He has read history. Have the barriers of Hindustan proved impregnable in the past? I would remind him of what Mr. Baldwin said the other day, that the development of aircraft has broken down every natural barrier.

Now, let me draw the attention of the House to some very striking facts. For nearly ten years the Air Force in India has remained absolutely stationary. That is to say, it has consisted of eight squadrons, and this at a time when other modern powers have all been developing enormously their air arm. Russian military expenditure has made in recent years a staggering advance and the amount spent on military aviation is enormous. Nor is this all. Other countries are developing rapidly their civil aviation, whereas we in India still have a civil aviation which can only just be said to have any existence at all. We all know that it is an easy matter to convert civil aeroplanes into military aeroplanes, into bombers and troop carriers. I have seen reliable reports in the press to the effect that Russia for instance has now got a large fleet of a modern type of civil aeroplane which is capable of carrying a useful load of about two tons over 800 miles without refuelling. Just think what that means. I am not for a moment attributing to Russia hostile intentions. I recognise that since she engaged on her economic plans, her diplomacy has been more pacific and her propaganda in foreign countries has diminished. But I repeat that we live in dangerous times, and I ask Members to reflect on the fact that there is a fleet of aeroplanes capable of leaving a foreign territory, flying over the cities and towns of the Punjab, and returning comfortably to their base on the same day.

Let me give the House some Budget figures. We used to work in this country on a figure of about 2.17 crores for the Air Force. During re-equipment, it went up to 2.38. Now, it has come down to 1.58 crores, that is, a little over a million pounds is what we spend in this country on our Air Force. I have spoken on this subject for several years in this House. In the year 1929, I pointed out that whereas Great Britain was spending 2/5ths as much on the air arm as she was spending on the army, in this country the proportion of Air to Army was only about 1/25th. Now, is it not a very remarkable fact that that proportion, so striking then, has since been altering, not as we might have expected for the better, but for the worse! When I spoke in 1931, the proportion had already altered for the worse. This year, 1933, it has again altered for the worse. The new estimates at Home are not yet available. Taking the last year's figures, that is to say, the figures for the current year ending this month, Great Britain was spending £17½ million, in round figures, on the Royal Air Force plus one million pounds appropriated from the Navy for the Fleet Air Arm. That is to say, £18½ million Great Britain is spending today on the Air, whereas on the Army she is spending £36½ million. That means that she is spending more than half as much on the Air as on the Army. The proportion has gone up from 2/5ths in 1929 to over 1/2 today. In this country, on the contrary, we are now spending, in round figures, Rs. 1½ crores on the Air and Rs. 44½ crores on the Army, that is to say, just over 1/30th on the Air. I suggest that there must be something wrong in the fact that while in the rest of the world the balance is continually altering in favour of the Air Arm, in this country the balance is steadily altering to the detriment of the Air Arm.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): It may be that an unnecessarily large army is maintained.

Mr. Arthur Moore: Now, I may be asked, what do I want. Well, Sir, year after year I have pleaded for transport squadrons. When it became necessary to evacuate our nationals from Kabul, people suddenly woke up to the importance of transport squadrons and they discovered that they had not got any. We had to borrow air transport from Iraq. But we were immediately promised that something better would be done. All that we got was two Clive aeroplanes—small troop carriers—and that is all we have ever had. In 1931, I begged for four transport squadrons. Today I shall be much more modest and I shall only ask whether the Commander-in-Chief cannot get for India one transport squadron. Egypt has a transport squadron, and Iraq has a transport squadron. Why cannot this great country, with a much greater problem of defence, have a transport squadron? In Egypt, last June, it became necessary to reinforce Iraq, when there was trouble there, from Egypt. In five days they moved a whole battalion by air from Cairo to Baghdad,—as against certainly a month by any other means available. Then, in the previous year, when there was trouble in Cyprus, they flew a whole company from Ramleh to Cyprus between breakfast and noon. Sir, I do not want to labour a point on which I have often spoken in this House. But I would call attention—if you will give me a few minutes more; it is the first time I have addressed the House this Session

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member has still got two minutes more.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, we find that the Air Force has effected economies of approximately six lakhs more than the Retrenchment Committee estimated for or hoped for. Cannot the Air Force be allowed to keep those additional economies which go beyond the hopes of the Retrenchment Committee, and set them aside towards the maintenance of a transport squadron? I imagine that its annual maintenance would not be more than about 15 lakhs, and I do feel confident that by that means the Army would find that they were able to make—as other countries have made—surprising economies in other directions. (Applause.)

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, in lending my support to this cut, I do not propose to enter into the intricate question of the defence of India. Nor do I propose to go into problems like the Capitation Grant and things like that. I will confine myself to a very moderate aspect of this question, and that is the administrative side of the expenditure of the Army. As a humble member of the Army Retrenchment Committee, Sir, I had something to do with this branch of Army expenditure. We know that that Committee has produced a report the recommendations of which have always been considered by this House as extremely moderate and inadequate. Still, to my great disappointment, I find there is hardly any recommendation, moderate though it is, of this Committee which has been given effect to *in toto* by the Army Department. Sir, during my speech on the General Discussion on the Budget, I pointed out that we expected the Honourable the Finance Member to give us in detail the reasons why the recommendations of the Army Retrenchment Committee could not be accepted by the Government, but I still wait for a reply. No doubt among the budgetary papers we have been supplied by the Army Department, with a statement, showing the reductions secured in army expenditure as a result of the retrenchment campaign. But here, beyond giving the figures recommended by the Committee and the figures which have been accepted by the Army Department, we do not find any reasons or explanations given by the Army Department for not accepting our recommendations. Sir, within the small time at my disposal, it is not possible for me to enter into the details of the recommendations which we made and the extent to which they were not accepted by the Government, but by way of illustration I shall cite one or two items. In the first place, I would refer to the question of I. M. S. officers on the staff of the Kitchener College, Nowgong. This College is intended to prepare Indian non-commissioned officers for promotion to Viceroy's Commissioned ranks and only 152 students are turned out annually. On the medical staff of this College there was an I. M. S. Officer as well as a sub-assistant surgeon and we considered that the former should be abolished. Government have failed to give effect to this moderate recommendation and I should like the Army Secretary to tell the House why this recommendation could not be accepted.

Then, Sir, on the medical side of the Army expenditure we find that we are not only spending too much, but a great deal of extravagance is going on; and, while taking this opportunity to thank the Army Officers who co-operated with us in the Army Retrenchment Committee and appreciate the support they gave us in our work, I must say that the help we received from the Medical Officers of the Army was not as much as we expected. Sir, on page 56 of our interim report, you will find that the

cost of the Medical Services has been doubled since 1914. Then, Sir, we know that an establishment of 26 dental officers and 43 B. O. Rs. is maintained for British troops as compared with seven Officers in 1914. I am really at a loss to understand why this dental disease is becoming so common among British soldiers. We were told that, when these soldiers landed at Bombay, a very large number among them were found to be suffering from diseases of the teeth. For that the Army have appointed a special staff of 26 dental surgeons, besides the assistant surgeons who are kept in all the Army hospitals. We recommended that assistant surgeons should be given more advanced training in dentistry and that the present dental service be gradually eliminated. I should like the Army authorities to inform us what steps they have taken in this direction and how much of this dental staff is proposed to be retrenched. Then, Sir, we were informed that 91 officers of the Medical Services obtained additional allowances of Rs. 100 a month for being in possession of specialised qualifications. We saw no reason for the continuance of these allowances; and I do not know what effect has been given to this recommendation by the Army Department. These are all points on which we want an explanation and the reasons why they were not accepted. All doctors are considered as experts and we pay them only as experts, and, therefore, there is no reason why any officer who specialises himself in a particular disease should be given an extra allowance of Rs. 100 a month.

Then the second point to which we drew attention about the Medical Services was dependant on a reversal of the policy, which had hitherto obtained, of separation of Medical Services for British and Indian troops respectively. That was one of the most objectionable features that we saw in the administration of the Army Department. They maintain separate hospitals for British soldiers and for Indian soldiers. While making inspections at Calcutta, we found that a very large portion of the British soldiers' hospital in Calcutta was lying vacant and the same was the case with the Indian soldiers' hospital. We thought that if the British and Indian soldiers can fight together on the same field and live in the same trenches during the war, there was no reason why, when they get ill, they should not stay in the same hospital. That was a point which, if accepted, would have given a substantial saving. Of course no explanation has been given by the Army authorities, and I should like to know how far this recommendation of the Committee has been accepted.

Then, Sir, there are four schools in India known as the Lawrence schools. They provide a home and education in good climate for orphan children of British soldiers and ex-soldiers. The total net cost on the four schools is Rs. 5,91,000 per year. We considered that there was no justification to burden the Indian Exchequer with the expenditure on these schools, from which hardly any benefit accrues to the Army, while thousands of the children of the soil, who would form the future Army of the country cannot be provided with any sort of education. We, therefore, recommended that the scholarships to British soldiers' children amounting to Rs. 15,000 should be discontinued. That was not accepted, and I am still waiting for an explanation from the Army Secretary as to why this recommendation could not be accepted by the Army authorities.

Coming to the heads of supplies, we find that the British soldiers' ration was supplemented by a cash allowance of $8\frac{1}{2}$ annas a day. This allowance is based on the allowance given in England. At one time it amounted to 6½ pence in England and 6½ annas in India. When the rate

1764

LEGISLATIVE ASSEMBLY.

[8TH MARCH 1933.]

[Sir Muhammad Yakub.]

in England fell to 3½ pence the Indian rate dropped to 3½ annas. The rate in England is now three pence and we, therefore, recommended that the rate in India should also be reduced to three annas in accordance with the usual practice. This would give an annual saving of six lakhs, but even this most reasonable and moderate recommendation was not accepted. As I have just pointed out, we find that in their statement the Army authorities have given no reasons for not accepting the recommendations and have summarily rejected the most moderate recommendations. No doubt the Army Department have made certain other retrenchments besides those recommended by the Committee. The reason for this was that the time at the disposal of the Committee was very small and the range of subjects which we had to explore was very large. Moreover, the Army was hitherto a sealed book to the public and it was the first time when we had some peep into the working of the Army. We found that the number of brushes supplied to the British soldier was larger than is probably possessed by any Honourable Member of this House, except perhaps my aristocratic friend, Sir Cowasji Jehangir.

Mr. B. Das (Orissa Division: Non-Muhammadan): How many brushes has the Army Secretary got?

Sir Muhammad Yakub: I do not know, but he has certainly not got as many as the British soldier has.

Then we found that the number of officers of the Army Headquarters itself was too large and there was hardly any work for the very large number of officers who were employed at the headquarters of the Army Staff. We tried, one day, to pay a visit to these offices to see what they were doing, and although, on that particular day, they were supplied with some papers which they were alleged to be dealing with, it was still difficult to find out what amount of work they were doing, and we could not be supplied with any statement to show how much work they were doing. So although the Army Department have made certain retrenchments themselves, that does not afford any excuse for not accepting the moderate recommendations which were made by the Army Retrenchment Committee. And I should like the Army Officers to give us a very satisfactory and detailed explanation and a logical explanation too to show why these recommendations have not been given effect to. With these remarks, I heartily support the cut motion moved.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): Sir, as this is an important subject, I wish to bring a preliminary matter to your notice. My honoured Leader, Sir Abdur Rahim, has given notice of a cut motion on the Foreign and Political Department and, normally, that would occupy the whole of the afternoon. I have the permission of my Leader to say that he has no objection if this debate is extended by another half-an-hour in the afternoon and his cut motion taken up at 3 o'clock; for it would be a pity if the discussion on this subject were to be cut short by lack of time.

Mr. Deputy President (Mr R. K. Shanmukham Chetty): Order, order. If that is the desire of the Independent Party, and the Chair takes it that other Parties have no objection to that, the discussion might be

continued this afternoon. The Honourable gentleman suggests that half-an hour may be taken for this, but the Army Secretary must have his full time, that is, 20 minutes, and, if any other Member wants to speak, we have to set apart another 15 minutes. In that case . . .

Diwan Bahadur A. Ramaswami Mudaliar: We have no objection if one hour is given.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Chair will set apart an hour.

Diwan Bahadur A. Ramaswami Mudaliar: Mr. Deputy President, I am very thankful to you for the opportunity that you have given me of partaking in this debate, because, following the example of my friend, Sir Muhammad Yakub, and as a member of the Army Retrenchment Committee, I propose to address myself this afternoon to the subject with which we were charged as members of that Committee. There is a preliminary matter arising out of the observation of my friend, Mr. Moore, to which I should like to refer. Mr. Moore pictured a very disastrous future for us from the lack of sufficient Royal Air Force equipment and he told us that the country was going to be seriously affected by that lack of foresight. If he had read the Budget details a little more carefully, he would have found that the reduction in the Air Force expenditure was mainly due to the fact, as was explained in the Financial Adviser's statement last year, that the programme of equipment for the Royal Air Force had been completed, and if he will read . . .

Mr. Arthur Moore: May I explain that I have not criticised the economising of expenditure on the Royal Air Force in this country. My complaint is directed towards the establishment. I should like to see an additional squadron. It has nothing to do either with equipment or with the economies effected.

Diwan Bahadur A. Ramaswami Mudaliar: Well, Sir, I shall not pursue the matter further, because the economy effected is really to a very large extent due to the fact that the programme of expenditure has been completed. As regards the further increase in the personnel, I have nothing to suggest, because I am not an expert in these matters. I only hope that the views of my friend, Mr. Moore, will be placed prominently before the Army Headquarters. I said, I proposed to deal with the subjects which formed the subject matter for the consideration of the Army Retrenchment Committee. We were asked not to deal with the pay of the fighting units or with the strength of the fighting units, but were asked to confine ourselves to what has been termed the auxiliary and ancillary services, and, it is from this point of view, that I propose to examine the amount of economy or retrenchment that has been carried out. Taking the Budget for the present year and comparing it with the actuals of 1931-32, you find that there has been a reduction of over five crores and 30 lakhs of rupees in gross expenditure, but you find, at the same time, the calculation is simple—that nearly three crores of rupees is with reference to the fighting units. Two crores and 67 lakhs is what I make out as the reduction on fighting units and other items outside the auxiliary services. We are thankful to the Commander-in-Chief for reducing the cost of the fighting units. The number of Officers with King's Commission has been reduced by 117; the number of British other ranks has been reduced by 1,623; the number of Officers with Viceroy's Commission has been reduced by 154 and the number of Indian other ranks has been

[Diwan Bahadur A. Ramaswami Mudaliar.]

reduced by 6,128. Taking this and the reduction in the Royal Air Force and the Auxiliary Force and the reserve fund, we find that there has been a reduction of nearly three crores in the gross expenditure. Therefore it comes to this that the real reduction in auxiliary and ancillary services amounts to not more than about $2\frac{1}{2}$ crores at the most.

Now, Sir, I should like, in the limited time at my disposal, to refer only to one or two of these auxiliary services. My Honourable friend, Sir Muhammad Yakub, referred to the Medical Services. If I have time, I shall pursue the matter further, but I propose now to confine my attention to the Military Engineering Services. The Military Engineering Service and the Medical Services are the two services whose officers were not in a position to co-operate with the Army Retrenchment Committee to the extent to which they could have done and to the extent which we were justified to expect from them. From the observations that were made in the Report itself, you would have found that we did not get the same amount of co-operation from these two services. I am thankful to those officers and services in the Army who have placed their cards before the Army Retrenchment Committee and gave us full facts and figures and enabled us to learn something of a very intricate and complex system. But I must say, Sir, and say publicly from my place in this House, with reference to these services, that we did not have that co-operation, we did not have that amount of information, and it was with a "front negatif"—if I may use a French expression—"a negative face" that they met all our demands for information and all our suggestions for retrenchment. Now, with reference to the Military Engineering Services, you will notice that the amount of new works that is proposed to be carried out during the next year is considerably less than what was done in the year 1931-32 or what was provided for. There is a reduction of nearly one crore of rupees. In the course of our report we suggested that with reference to the maintenance of buildings, the maintenance of electric installations, furniture and other miscellaneous expenditure, there ought to be considerable reduction and we wound up by saying that the personnel of the Military Engineering Services was far too much and that, particularly in view of the fact that the country cannot afford the same amount of capital expenditure on new works as it has hitherto been carrying out, there must necessarily be a reduction in personnel. Let us see what reduction of personnel has been brought about in these services. In 1931, on the 1st April, there were 230 officers holding the King's Commission, the Garrison Engineers, the Royal Engineers, Command Engineers and all the hierarchy of Military Engineers. There were 230 officers. In 1933, there are 225 officers—a reduction of five; in the British other ranks there were 231 men in 1931 and there are 219 today. Among clerks and civilians, draughtsmen and other officers of that kind, there were 1,137 in 1931 and there are 1,210 in 1933. So far as followers are concerned, there were 500 in 1931 and there are 521 in 1933. So that there has hardly been any reduction in the personnel at all. My friend, Mr. McLeod, the Financial Adviser, to whose courtesy we owe much as members of the Army Retrenchment Committee and to whose courtesy again the Members of the Assembly owe a great deal, because he has always been considerate in supplying information, says in the course of his explanatory memorandum that effect has been given to a specific recommendation of the Retrenchment Sub-Committee, that the estimate for

Military Engineering Service should be abolished as a separate head and that it should be brought under the head of the Quarter Master General's Departments. The report of the Retrenchment Committee no doubt suggested it, but the reason for it has been missed. We found that the Quarter Master General was really not in a position to control the Engineering Services, that whereas other services are under some Army Headquarters staff, either the Chief of the General Staff, or the Adjutant General or the Master General of Ordnance, the Military Engineering Services did not owe any allegiance in practice to any Officer; and we suggested that the Quarter Master General should be in control of this Department. As we proceed to explain in our report, the reason was that he would then be able to have a check on the personnel which is at the present time unchecked and uncontrolled. We say:

"While averse from adding to the Quartermaster General's already onerous duties, we think that the ultimate general responsibility for the cost of the personnel employed on M. E. S. should rest with him, just as he accepts responsibility for the size of that engaged, e.g., on supply and transport duties. In making these suggestions we do not desire in any way to detract from the full technical responsibility of the Engineer-in-Chief. But we think that it is important in principle that the ultimate financial responsibility for expenditure on army services should rest with the Principal Staff Officers; an exception to this rule in the case of M. E. S. would be fair neither to the Principal Staff Officers nor to the Engineer-in-Chief."

I do not know whether the spirit of that recommendation has been accepted. If so, I regret to find that there has been no reduction of the personnel. Our recommendation was quite simple. We suggested that there should be a reduction of ten per cent. in the personnel; the figure at that time placed before us was 240 including some ten officers who should have been appointed according to the recommendation of the Government of India, but were not, as a matter of fact, appointed. We took that into consideration also and we recommended a ten per cent. cut—a reduction of 24 officers leaving the strength at 216 officers. Even that very modest and moderate recommendation has not been carried out. Tributes have been paid to my Honourable friend, Diwan Bahadur Rangachariar, who, as Chairman of the Army Retrenchment Committee, did his work so fairly and so justly. The one consideration that he had, the consideration which was also given expression to by my friend, Mr. Tottenham, yesterday, was that with reference to the military we should try to take the officers and the department as far as possible with us; otherwise, being practically a non-voted subject, whatever our recommendations may be we will be knocking against a dead wall, that nothing would be done, that those beautiful words which are so often used by the military authorities, that it will be neither "safe nor prudent" to do these things, will again be flung at our face, if we made recommendations ignoring their point of view. It was, having regard to their views on this matter, that we made these moderate recommendations, recommendations in which not merely the non-official Members of the Assembly agreed, but if I may say so, which were agreed to by Sir Edward Benthall on behalf of the European Group and by Mr. Bovenschen, the expert from England, to whose meritorious services as a member of the Retrenchment Committee I had occasion to pay tribute privately to the Finance Member and which I am glad to do publicly now on the floor of this House. A recommendation like that, accepted unanimously by the whole of this Committee, approved informally at least by the Officers of the Department, not the Engineers but others, if that recommendation has not been carried out, I ask myself what recommendations will be suitable to this particular service? Not merely is that the case with reference to the personnel, but

[Diwan Bahadur A. Ramaswami Mudaliar.]

with reference to the whole of their organisation, with reference to the expenditure that they devote to this service, the same tale can be told. We suggested that with reference to the maintenance of buildings there ought to be a certain amount of reduction. They have a wonderful way in the Engineering Service. If the total value of the buildings of the Army is 40 crores, they say that for the maintenance of these buildings they should have one and three-eighths per cent. of the capital cost. Never mind what each individual building costs, the total must be one and three-eighths

Mr. G. R. F. Tottenham (Army Secretary): May I intervene for one moment because it might save time? If the Honourable Member will read the reply I placed on the table last September in reply to Mr. Das' question, he will see that all these recommendations have been accepted. This particular one about the 1½ per cent. and the one about the Quarter Master General being put in control of the M. E. S. and also the reduction of establishment—they have all been accepted. (*Some Honourable Members*: "Hear, hear.")

Diwan Bahadur A. Ramaswami Mudaliar: My Honourable friend need not be quite so pleased with the cheers that he has received from those Members of the House who have not read the reply which my Honourable friend placed on the floor of the House in September, 1932. My Honourable friend may be perfectly certain that I have read the reply or statement which he made in reply to Mr. Das. I have gone through it carefully and I can show that while he has stated that he has accepted it, effect has not been given to it in the Budget estimates. It is perfectly true that my Honourable friend said in reply to Mr. Das' question that our recommendation that it should be 1½ per cent. and not 1⅜ths has been accepted; it is perfectly true that in his reply he says that six per cent. will be calculated on the maintenance of electric installations and not eight per cent. It is perfectly true also that, with reference to furniture, my Honourable friend, in his reply, said that our recommendation has been accepted: it is perfectly true that in reply to that question, my Honourable friend said that the Quarter Master General will be in charge of the Military Engineering Services; but from first to last, I maintain—and, if I had the time at my disposal, I will prove it—that none of these recommendations has been given effect to in the Budget for 1933-34. If the Quarter Master General has control of the Military Engineering Services, may I ask what he has done with reference to the reduction in the personnel? My Honourable friend says that he has accepted these recommendations. I have just said that our recommendations show that the number of King's Commissioned Officers should be 216. In the estimates it is shown as 225. Will my Honourable friend please explain how it is that, after accepting our recommendations, he still retains the figure of 225 King's Commissioned Officers so far as the Military Engineering Service is concerned? My Honourable friend may rest assured that I have gone very carefully into this figure. For buildings, etc., the figure of over 50 lakhs has been provided under maintenance and repair; by a purely mathematical process for which my friend, Dr. Ziauddin Ahmad, will be responsible, the figure of 1½ per cent. does not come up to that. Neither is the Budget proposal the proper cost with reference to roads. Now that my Honourable friend has come forward with his defence earlier than I expected, let me take the question of roads with reference to

which we made some suggestions. Turning to the Military Engineering Services estimates at page 207, I find that under military roads in cantonments the expenditure this year is 11·79 lakhs as against 12·63 lakhs last year. But under military roads *ex-cantonments* it is 11·35 lakhs as against 10·33 lakhs: so that the total figure is exactly the same as it was two years ago when we started the retrenchment campaign—about 23 lakhs. Will my Honourable friend turn to the recommendations of the Retrenchment Committee and find out for himself whether we did not suggest a reduction of nearly 2½ lakhs in that one particular item? Does my Honourable friend suggest that he has accepted the recommendation of the Retrenchment Committee?

It is the same thing with reference to the electric installations. I have not got the time to go into these questions in detail; but let me turn to one other recommendation. With reference to the contracts that were given out by the M. E. S., we had a great deal of difficulty. It was left to us to find out, as members of the Retrenchment Committee, that the Military Engineering Service, efficient as it is, with such numerous King's Commissioned Officers, had a peculiar way of dealing with contracts. They had a system of rates such as that which prevails in the Public Works Department on the civil side. These rates were published years ago, in some cases six or seven years ago; and, on the strength of those rates, contracts were given out to contractors. Some of my friends in the Assembly know what military contracts are. The quotations that were given were these. A contractor quoted 30 per cent. below the schedule rates: another contractor quoted 35 per cent. below the schedule rates; and it was that competition which was the test for the acceptance of these contracts. We pointed out that it was a preposterous arrangement, that the first thing that they should do was to see that they revised their schedule of rates and brought it more into line with the prevailing conditions. The absolute unfairness of the whole thing is obvious. If a contractor were to quote only 35 per cent. of the total rates irrespective of each individual head, or another contractor were to quote 40 per cent. below the schedule rates, on some items the prices would have fallen much more than others; and there was the further complication that with reference to some materials it was open to the Army Department

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Do I take it that the House would desire the Honourable Member to continue? (*Cries of "Yes" .*)

Diwan Bahadur A. Ramaswami Mudaliar: I am grateful to the House; and there is the further fact to be taken into consideration, that with reference to these contracts it was open to the military authorities to supply material in particular places if the contract was given out. Now, let me read what we said with reference to this subject:

"We found in the course of enquiry that in certain instances the schedules had not been revised for five or six years and contractors were quoting as much as 30 per cent. less than the schedule rates. While it is true, as was represented to us, that so long as there is competition, tenders would represent the prevailing market prices and therefore the full value of a fall in prices would be obtained by quotations being made at a discount on the schedule rates, it seems to us by no means certain that fluctuations in market prices would affect all items in the schedule equally. And as quotations are made on the basis of increases or decreases on the schedule as a whole, it does not necessarily follow that, if the schedule is seriously out of date, such quotations would necessarily represent the fair market rate for the actual work required. We accordingly recommend a more frequent revision of the schedules as we are of opinion that such a revision will enable much closer supervision of rates to be enforced."

[Diwan Bahadur A. Ramaswami Mudaliar.]

I am thankful to my Honourable friend, the Army Secretary, for having said in reply to Mr. Das in September, 1932, that it has been done, but let me continue:

"We also recommend that all M. E. S. contracts for over Rs. 50,000 should be made by open tender instead of by calling for tenders from selected lists of contractors. Contracts for Rs. 50,000 and under should continue to be made by calling for tenders from selected lists of contractors, but once a year advertisements should be inserted in the local press inviting firms to apply to be put on those lists."

What has my Honourable friend done with reference to this particular recommendation? Let me give my Honourable friend's reply which is at page 124 of the Legislative Assembly Debates for September. The reply of the Army Department is this, presumably at the instance of the Military Engineering Services:

"Not accepted. Tenders are now invited by advertisement for works of a specialised nature and works likely to cost more than Rs. 5 lakhs.

To call for tenders throughout India for every work costing more than Rs. 50,000 would involve great clerical labour, delay and extra expense, without any increase of efficiency." (Laughter.)

Now, Sir, the story does not stop there. Let me turn to the remarks, not of a lay individual like myself, nor even of Mr. Bovenschen who was a party to this recommendation—let me turn to the remarks of the Director of Army Audit. Let me take his latest report, that of 1930-31, and what does he say on the subject? He has surely no prejudices about the military as I have. He has a warm regard for the M. E. S. as a whole. In paragraph 123 of the remarks of the Director of Army Audit, you will find:

"The Military Accounts Committee, which examined the Appropriation Accounts for 1928-29, was informed that the principles governing all contracts are being adopted generally on the Army side also (vide paragraph 55 of its Proceedings on that year's accounts). Instructions were issued by the Engineer-in-Chief to all Commands impressing on them that contracts should be given out without calling for tenders in exceptional cases only. Similar instructions regarding material alterations in the terms of contracts once concluded were also issued. An enquiry was made into the effect of these instructions but it is premature to make any comment this year as promised in paragraph 33 of my last Report, specially in view of the fact that the instructions referred to above were issued at the end of June 1930 when some of the contracts for 1930-31 had already been entered into. It is understood that further steps have also been since taken to see that the discretion to deviate from the general principles governing all contracts are exercised by local authorities as sparingly as possible. It will be watched in course of test audit that these instructions are followed."

Will my Honourable friend, speaking on behalf of the Army Department, kindly explain to me this conundrum? To the Director of Army Audit you say, you are going to call for tenders except in exceptional cases and, in answer to my Honourable friend and in answer to a recommendation that we made, a most logical and reasonable recommendation, a recommendation which, in your own interests,—Caesar's wife must be above suspicion—which, in your own interests, you are bound to accept, you turn round and say, tenders cannot be called for except where the work is for over Rs. five lakhs. And how many works, pray, even in the big Army Department, are there for over Rs. five lakhs, how many works are for over Rs. 50,000? Let me turn again to the Director of Army Audit. What does he find as a result of that system? With reference to these works, there is a very funny way in the army. They do not prepare

estimates. Their estimates need not correspond to the actualities at all. Let the Director of Army Audit give some instances of this. At page 69 of his report, he sums up the cases where there were no estimates at all. The amount of objections raised in 1930-31 for want of sanctioned estimates was Rs. 38,81,000. I make a present of that statement to my Honourable friend, the Army Secretary. He says:

"As compared with the year 1929-30, there has been a decrease in the amount of objections raised for want of vouchers but an increase in the amount of objections raised for want of sanctioned estimates."

Take, again, the estimates that are given in the Budget from time to time on these works:

"A noticeable instance of apparent over-estimating is Item 19, from which it appears that although Rs. 3,50,000 were allotted, the work was completed for Rs. 2,14,491. Item 37 is still more noticeable, as although Rs. 4,00,000 were allotted for the work during the year, it was completed with an expenditure of Rs. 85,493 only."

I have heard, in my experience of under-estimates, of the actual work going beyond the estimated figure and, therefore, necessitating what is termed a reappropriation, but I have not heard of an estimate for Rs. four lakhs being seriously made by a Command Royal Engineer and the work being finished in Rs. 83,000. I ask myself what sort of service is this where, on a test audit conducted by the Director of Army Audit, he is able to find out these peculiarities. I do not know if I am unfair to my friend, Mr. McLeod, who is mainly responsible for preparing the Budget estimates, but I find curiously enough pursuing the matter further that whereas, in former years, details of the cost of the works were given, in the present year the whole expenditure is put as a lump sum and no details of any kind are given. Is that due to the remarks of the Director of Army Audit so that some one standing in my place next year may not say, "Out of this estimate of four lakhs only Rs. 50,000 or Rs. 60,000 has been spent". Let my Honourable friend turn to the M. E. S. estimates for the year and he will find at page 204:

"Accommodation Works. Accommodation Detailed heads. Indian troops 30 lakhs. Officers quarters and messes 11 lakhs. Miscellaneous units 3 lakhs."

We had pages and pages of every detail in the previous years. We were shown that Rs. 40,000 were spent on this matter, Rs. 50,000 on another, two lakhs on re-formation of some lines, 2½ lakhs for erection of new lines, and so on. I ask my Honourable friend, why it is that in this year's Budget it has not been done, and, furthermore, whether the Army Secretary would recommend a continuance of this practice. No, Sir. There is something radically wrong with reference to the M. E. S. works. I complained two years ago that there was a rush of expenditure in March and that, even more seriously than on the civil side, the military side showed that rush of expenditure. I did not know that, two years later, I would have corroboration from another Army Audit report. I turn, again, to the last Army Audit report of Mr. Currie, and you will find at page 66, that expenditure incurred in June was 15 lakhs, expenditure in September, Rs. 33 lakhs, expenditure in December, 38 lakhs, and expenditure in March—what do you think, Mr. Deputy President,—Rs. one crore and nine lakhs. In one month, March, they have disposed

1772

LEGISLATIVE ASSEMBLY.

[8TH MARCH 1933.]

[Diwan Bahadur A. Ramaswami Mudaliar.]

of these enormous bills and spent over fifty per cent. of their allotment. What wonder if the Director points out that in one case, instead of the figure 12,000 a clerk wrote Rs. 22,000. It is just a slip—it is all in this report. Classical instances of efficiency with which the Department has been managed, and, for one case detected, I ask myself whether you can say with certainty that there are no other cases which have gone undetected. I do not know exactly who is responsible for the writing off of various items. I take an instance from the Military Engineering Service alone, and I should like to tell the House what that instance is:

"In 1926 the Brigadier Commander Brigade decided to re-start the Race Club and some old materials to the value of Rs. 1,244-8-0 recovered from the demolition of certain buildings in the station were, under his orders, supplied on credit to the Race Club for the construction of a Race Course. A building was also made over for the Race Course Jamadar's residence.

In January 1927 the Brigade departed for China, when a sum of Rs. 1,380-3-0 (Rs. 1,244-8-0 being the value of the materials and Rs. 135-11-0 on account of the rent for the building occupied by the Jamadar) was still unpaid by the Race Club.

Owing to the absence of troops from the station the Race Club fell heavily into debt and could not pay off the above sum in spite of several attempts made by the Military Engineer services authorities to recover them. The above named authorities however sold certain materials from the Race Course for Rs. 315-6-0 leaving a balance outstanding against the Club of Rs. 1,064-13-0.

The case was reported to the Army Headquarters on 7th April, 1930. Since the Brigadier Commander, by ordering the issue of public stores on credit to a private body had acted, in contravention of rules, the responsibility for the loss devolved on him. The officer being on the retired list in England, the India Office was addressed in March 1931 to approach the Army Council with a view to recover the sum from the officer, but the amount was nevertheless written-off in Army Department letter..... in order to clear the amount outstanding on the books."

Now, I wish to ask the Army Secretary why, under what circumstances and on whose authority, this particular letter of the Army Department was issued authorising the writing off of that amount.

Let me take another instance:

"Up to August 1928, the Army Mansions at were occupied by Military Officers who paid rent under the regulations. With a view to their being run as a hotel for Military Officers and thus removing to a great extent the existing unpopularity of residence in them, the mansions were let to a certain contractor for five years with effect from the 15th September, 1928, on an assessed rental of Rs. 14,730 payable in half yearly instalments of Rs. 7,365 each. The first instalment being payable three months after the execution of the lease was due on the 15th December, 1928, and the second on the 15th June, 1929."

The contractor defaulted when a large sum was due from him. A suit was filed and a decree was obtained:

"But immediate recovery not being possible.—Rs. 14,972-2-3 on account of rent and Rs. 1,220-13-0 on account of other items were written-off in an Army Department letter, dated 25th March, 1931."

Then, again, I can show that in the Medical Service also it is the same thing. We suggested that there were 224 nurses drawing a pay of Rs. 275 to Rs. 650 in the Army, and that they could well be substituted by Anglo-Indian or Indian nurses, specially Anglo-Indian nurses. Either for reasons of "safety or prudence",—I do not know which,—the Army authorities have not been able to accept our recommendation

An Honourable Member: Both.

Diwan Bahadur A. Ramaswami Mudaliar: Probably both. My friend is a good authority on where prudence should come in and how far the line of safety can be drawn. There are several recommendations. We suggested that a very smaller number of R. A. M. C. officers and other staff officers in the Medical Department might be enough and that the present strength of these officers might be reduced to 25, and that recommendation has not been given effect to. The other 25 officers are still there, they are overstaffed; you go to the Calcutta British Medical Hospital, as we did, and you will find that there are four to five R. A. M. C. officers carefully attending to,—how many patients, do you think, Mr. Deputy President? 17 in all. With an army of nurses, with an army of followers, with an Indian Hospital Corps, the only recommendation that has been accepted in that connection in its entirety is the reduction of over a thousand people of the Indian Hospital Corps.

Sir, I must now conclude by congratulating the Army on carrying out our recommendations so far as the fighting units and staff are concerned, and it will be churlish on my part if I do not acknowledge the good work that is done by the Quarter Master General himself and the other officers under him, the Adjutant General and others, but I must place on record my most emphatic protest that, so far as the Medical Services and the Military Engineering Services are concerned, they have done practically nothing and they do not possess the confidence of this House on account of the manner in which they have discharged their duties.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

Pandit Satyendra Nath Sen (Presidency Division: Non-Muhammadan Rural): I rise to support the amendment moved by my friend, Mr. Raju. Retrenchment and more retrenchment has been the cry everywhere, and why? Because, although the condition of public finance has been described by the Honourable the Finance Member as satisfactory, the condition of India as a whole remains as unsatisfactory as before. The *zabbardust* Finance Member has balanced the Budget, and I congratulate him on his marvellous achievement, namely, that he has been able to convert a deficit into a surplus. But how has he achieved this object?—Partly by taxation and partly by retrenchment. All these are emergency measures, and these taxes will have to be removed sooner or later, because the Indian people have reached the last limit of their endurance. This endurance was possible, because they know how to lead the life of a *Sanyasi*, and, when these taxes will be removed, there will be a heavy deficit of about five crores; and if the income received through the Provincial Governments is to be foregone, then the deficit will be heavier. So, what is the real remedy? The real remedy is not only retrenchment of posts that are clearly superfluous, but of salaries, and also saving in expenditure. The saving in some departments comes to nothing, because money is lavishly spent in other directions. Like Penelope of old, the Honourable the Finance Member has been, in respect of the Army Department, unmaking the saving

[Pandit Satyendra Nath Sen.]

which he has been making in other Departments. What is the good of scraping one lakh here and two lakhs there? As the Bengali adage says; "If you take delight in hunting, hunt an elephant. If you take delight in taking other's money, commit robbery rather than pilfery". I would ask the Honourable the Finance Member to give up his meanness and be broad-minded. Of all the Departments, the Military Department is the biggest. This Department alone absorbs one-third of the total revenue. I would refer Honourable Members to the view expressed by Sir Walter Layton:

"The present military expenditure of India is so large both absolutely and in relation to the revenue of India as to be a dominating factor in India's financial situation. The following figures show the percentage incidence of defence expenditure upon net revenue in Great Britain and the Dominions:

India 33.7, Australia 3.7, Great Britain 23.6, Canada 3.7, New Zealand 5.2, Union of South Africa 3.1 and Irish Free State 6.8.

India in spite of her poverty has to bear a burden relatively heavier than that of Great Britain and ten times heavier than that of Australia."

It must be admitted that there has been a substantial economy in military expenditure. From 52 crores, it has come down to 46, but I beg to submit that the saving has not gone far enough. There is still room for economy as was clearly shown by the figures given to the House by Diwan Bahadur Ramaswami Mudaliar. He has scathingly exposed the Army Department and we are eager to hear what the Army Secretary has got to say in reply to his criticisms. There is one point which I want to emphasize. I beg to submit that the whole outlook regarding the army expenditure has to be changed. We have been maintaining a huge army for the last 100 years. Is it for self-defence only? No. It is not only for self-defence, but for some other purposes also. India is prepared to maintain an Army which is required only for her defence. She is not prepared to go further than that. Captain Liddle-Hart in his book "Re-making of Modern Armies" tells us that the military forces of the Dominions in peace time are organised for self-defence, not as expeditionary forces. The peace time forces consist of a small permanent nucleus which provides this instructional cadre for the main armed body—a citizen militia. So, my submission is, let there be "covering troops" as they call it, so that she may cope with occasional insurrections here and there, but she is not prepared to maintain a huge "field army" on a major war basis. The Russian menace has proved to be unfounded. So far as Afghanistan is concerned, India is required to maintain only friendly relations. Of course the condition in the Far East is causing some anxiety, but that does not justify the maintaining of a huge army for all time, and, if, in the interest of England, a huge army is to be maintained for all time, then, I submit that England must permanently share a substantial portion of the expense.

Sir, I have already described the Honourable the Finance Member as a *Zabardust* Member, and I would request him to strain every nerve to wrench out this from the authorities at home. I recall his reference to the Army expenditure at the Ottawa Conference and I know that although he may not do so in this House, he always argues in our favour elsewhere. Sir, another source of economy is Indianisation over which we had a lengthy discussion last afternoon. I would also suggest that Indians should be enlisted as volunteers. Give them substantial reforms and make them contented, and make your position safe and secure. Sir, certain sections of

the so-called Depressed Classes have been robbed of their hereditary profession by heterodox influence; and I would ask that they may be freely taken in to constitute the rank and file where I know they will give a very good account of themselves. That will provide them with a living and will minimise the expenditure. Sir, before I sit down, I would refer the Honourable the Finance Member as well as the Army Secretary to an article from the pen of Mr. F. G. Pratt, I. C. S. (retired) which appeared some days ago in the *National Call* under the caption of:

"What India Pays for its Army.

Military Burden on India: Need for Five Year Programme to reduce expenditure.

Costly Defence against Enemies that do not Exist."

I shall conclude, Sir, by reading out a few sentences from this article. Says Mr. Pratt:

"The strength and organization of the Army would be on a very different scale if they were locally determined, as in the other Dominions, and not by military experts at Whitehall.

Is the fear of Russian military aggression well-founded, or, is this a traditional bogey which in the modern world can be seen to be a manifest absurdity?

Cut out the 'Russian menace', obliterate the visions of a Soviet Napoleon leading vast hordes of Russian peasants over hundreds of miles of wild and trackless and mountainous country for the conquest of India, and what other dangers call for insurance? Afghanistan? In order to maintain friendly relations, must Indian diplomacy be backed by a force equipped on a world-wide scale? The North-West Frontier? It is more secure and peaceful today than it has been for a generation. A net-work of motor roads has been spread over Waziristan, and its key positions are occupied by strong permanent garrisons of regular troops. Finally if there is any substance in the arguments above set forth, is there any single measure which would be better calculated—apart from its financial consequences—for restoring goodwill and confidence in India than an immediate decision to introduce a five-year programme of substantial reduction of India's military expenditure?"

Sir, with these few words, I support the motion.

Major Nawab Ahmad Nawaz Khan (Nominated Non-Official): Sir, the last speaker talked about the Army and Indian defence. Now, one initial mistake that I find is made by several Honourable Members in this House is that they think more of the economy than of the nature of the functions of the Army in India. Surely, for the adequate defence of India, it is not a small Army which is required. India constitutes in reality the centre of the whole continent of Asia. The Indian Army is kept up not only for the sake of protection from disturbances within one province or another or from an attack on one frontier or on another. Now, the last speaker said that there was peace on the North-West Frontier, in Afghanistan and throughout Persia.

Pandit Satyendra Nath Sen: This is not my own view. This view has been expressed by a European I. C. S. Officer.

Major Nawab Ahmad Nawaz Khan: Well, that may be the view of many Englishmen in London even. I heard some of them speaking like this in England, but I wonder if they did so under some monetary pressure from the Congress or otherwise. (Laughter.)

Pandit Satyendra Nath Sen: Are they under Congress influence?

Major Nawab Ahmad Nawaz Khan: Well, I know many societies are actually working there in London and voicing the views of the Congress and such like bodies, probably as paid societies. Sir, economy may be a very good thing, but in this case it is a very bad thing, so far as it may affect the efficiency and real strength of the army which is required in India. Sir, if you look at the map of Asia, you will see that India is in the centre of it. Now, for purposes of defence, it is very necessary that the numbers of the white British soldiers of all arms in India must be so much that in case there is a big disturbance anywhere or disaffection within the Indian Army on account of religious or other disturbances, the British soldiers may be available in sufficient numbers to keep the peace within the Army as well as within India. Those, who are keen students of the Army in India, cannot but realize that the present peace in India is due to our safety from attacks, invasions, both internal and external. The peace and prosperity that you and I enjoy in India is due not so much to any other element or factor as is to the defence of India from internal and external attack and the safety secured and maintained for us by the British Government. Now, if we read the old history of India, what do we find? We find that the Hindu Rajahs always used to fight against one another, continually disturbing peace all round within the country. Neither did we enjoy peace during the times of the Moghul Emperors or Pathan Kings as we are all enjoying this time during the reign of the benign British Government

An Honourable Member: The peace of the grave.

Major Nawab Ahmad Nawaz Khan: and this peace is mainly secured by the strength and the efficiency of the Army in India. If the British lose this Empire,—India is so rich a country, and as there is no other such potentially rich country in any continent,—the eyes of all our enemies and other powers will be upon us, and they all will crave for India as part of their empire or kingdom if they can be so fortunate. The whole strength of the Army is not required for internal defence only, but you have to be careful that India must defend herself properly if attacked by land and sea. That should be the real strength of the British Army in India. You do not know the frontier tribes well. I myself belong to that Province and I wish that there should be regard and respect for those tribes. At present they are friendly to the British Government. But if, on account of some agitation tomorrow or in the future, they stand against us,—the House knows that their strength is about half a million people equipped with first-class arms,—and if there is no sufficient aeroplane power against them, even the whole Indian Army, excluding the white soldiers, will not be able to stand against them if they rise all against us unitedly, when there are political, communal and internal troubles in India.

Mr. Lalchand Navalrai (Sind: Non-Muhammadian Urban): Does not the Honourable Member think that when there are aeroplanes, the army should be reduced?

Major Nawab Ahmad Nawaz Khan: I am coming to that point later on; but, first of all, let me say what I wish to say. I appreciate the efforts of Honourable Members in the interest of economy which is for the good of India and the poor tax-payers, but they should ponder over the question of strength and efficiency of the Army very deeply. A penny wise and pound foolish policy would not be real economy. If we reduce the British Army,

we give cause to the other Powers and nations to invade India. For the sake of argument, if you reduce the Army by half its strength and bring down the expenditure to 20 crores, we will probably be very pleased and will congratulate every one responsible for that reduction. But if, next day, there is a war on sea or on the land frontier, then there will be millions of more money spent which the Legislature will gladly vote for protecting the country and saving India. I agree with some of the proposals regarding the retrenchment of one or two items which the members of the Retrenchment Committee think that there is good reason for reduction. But the men to judge of that reduction are the military men. The parent of a child who is undergoing an operation may say that the operation should be too small, but the doctor is the best person to know how much he should open so that all the pus inside may come out to avoid further troubles. In the same way, the persons with expert knowledge know well how much reduction is necessary and how much is not. If some items can be reduced, they will certainly do it, and they would not foolishly persist in continuing a thing which can easily be reduced. It is often said by many members that the Army expenditure must be reduced, but I have never heard such a proposal from a man who belongs to the Army or who has been to the theatres of war or living in provinces which are exposed to dangers. I should, therefore, ask them to think over this question, because today's wisdom may cause sorrow tomorrow. To reduce the Army which will disturb the peace and prosperity of India is not real economy.

Mr. G. R. F. Tottenham: Yesterday, Sir, I had the temerity to claim on behalf of the army administration that it was sympathetic towards Indian aspirations. Unfortunately the majority of the House did not agree with me. But today, undeterred by that defeat, I put forward another claim on behalf of the Army, and that is that the Army Administration is outstandingly alive to the need for economy and that it has been remarkably successful in attaining it. In fact, Sir, I do honestly contend that at no time since the present constitution started has the Army come before this Assembly with a record in this particular respect on which it has less reason to fear criticism and more reason to claim support. On the other hand, I am in a more difficult position today than I was yesterday, because the whole subject is so vast and the number of points that have been raised are so numerous that I shall find it almost impossible to deal adequately with them all in my reply.

I know, Sir, that there is a view held in certain quarters that the Army Department is a dark dungeon, the gates of which are opened only very occasionally for the inspection of Honourable Members. We have in the Retrenchment Committee done our best to remove that impression; and last year we welcomed for the first time three Honourable Members of this House as members of the Military Accounts Committee which goes into the Army Accounts on the report of the Director of Army Audit. And I do not think they can complain that we hid anything from them.

In this connection I should just like to say that I do not propose to follow my Honourable friend, Diwan Bahadur Ramaswami Mudaliar, and explain those financial irregularities which he read out from the Director of Army Audit's report. As has been explained before, the auditor's report is naturally a fault-finding report; it puts its finger on every fault it can find; but it says nothing about all the good things we have done. But that is by the way. The main point is that all those irregularities were gone into most exhaustively and carefully by the members of the

[Mr. G. R. F. Tottenham.]

Military Accounts Committee; explanations were put before them; and many of those explanations were accepted. There is just one particular point that I should like to mention, because I happen to have the information here with me. The Honourable Member referred to a case in which there was an appropriation of Rs. four lakhs for a certain project and the amount expended was only Rs. 85,000. That sounded bad. The explanation is that, if the Honourable Member would refer back to the report of the previous year, he would see that, in connection with this particular project, there had been an appropriation of Rs. two lakhs in the previous year and that a sum of Rs. 4,32,000 was spent. The explanation is that, after the Budget for 1930-31 had been framed, it was found possible to go on with this project in 1929-30 out of the savings which had accumulated in that year, and, therefore, the extra provision was not required in the following year.

Well, Sir, as I was saying, we in the Army Department have nothing to hide and we are anxious that Honourable Members of this House should know a great deal more about army finance and army problems than they do at present. If Honourable Members have any suggestions to make for bringing the Legislature into closer touch with the Army Department, we shall listen to them and welcome them with great pleasure.

Now, Sir, I will turn to the subject immediately under discussion, retrenchment of expenditure. I shall endeavour to give a brief review of the situation and then, if I can, go on to answer one or two of the more important criticisms that have been made.

In the last two or three years, the Army has been extensively employed in various parts of India, in Burma, on the frontier and in Bengal. The Army has responded to all these calls promptly and efficiently and, what is more, it has paid for the extra cost of them entirely out of its own Budget. The extra cost of disturbances during the last three years comes up to nearly two crores of rupees and we have not asked for one penny extra. That, Sir, means that, if there had not been these troubles, we might have shown an even greater saving than we have; and I think that is an important matter that should not be overlooked.

Then, turning to the actual reductions that have been made, the figures are given fully in the papers attached to the Budget Estimates prepared by our Financial Adviser, and I can do no more than summarise them. In 1929-30, our Budget stood at 55.10 crores; in 1931-32, it stood at 52 crores; and the Budget for next year is 46.20 crores. That is to say, there has been a reduction in five years of nearly nine crores of rupees, of which 5½ have come in the last two years. If Honourable Members will look a little further back, they will find in 1922-23 a Budget of 68 crores. Now, that Budget admittedly included about five crores of expenditure which was due to the operations in Waziristan, but put it at 63 crores. Even so, since 1922-23, that is, about ten years ago, there has been a reduction in military expenditure of not less than 17 crores of rupees. These, Sir, are very large figures. Incidentally, also they bring us to exactly the half way point between the pre-war expenditure of 29 crores of rupees and the maximum post-war expenditure of 68 crores.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): That is 50 per cent. increase now.

Mr. G. R. F. Tottenham: It is a difference of 17 crores. Forty-six is half way between 63 and 29. It is true that some part of these savings has been of an automatic nature. The fall in prices has accounted for about a crore and the reduction in the pay of British soldiers coming out from home has accounted for about three quarters of a crore. There are also other items of a more temporary nature which cannot be expected to recur for ever, such as the cut in pay, the reduction of our stocks and stores and the curtailment of some of our programmes; but the fact remains that there is behind all that a solid block of real retrenchment which has been secured by the united co-operation of all ranks in the Army and which has been obtained, not only by cutting down every possible item that was not absolutely necessary, but also, as the Honourable the Finance Member said the other day, by giving up various cherished schemes of progress. Moreover, and this is the point I wish particularly to emphasise, our policy of retrenchment has been carried out carefully and scientifically and we have always kept two main objects in view. The first has been to maintain a proper balance between fighting and administrative services—and here I may say, with reference to what my Honourable friend, Diwan Bahadur Mudaliar, said this morning, that those reductions that he mentioned were not all in the fighting services; a great many of the officers and men came from the administrative services. Then, the second object has been to avoid, as far as we possibly can, damaging the efficiency of our machine as a whole. I would ask the House to compare for one moment our achievement with that of the Inchcape Committee. The Inchcape Committee in 1923-24 recommended a military Budget of Rs. 57½ crores. Actually the Budget was in that year reduced to Rs. 55 crores, although, in the following year, it rose again to Rs. 56 crores; but the maximum reduction of expenditure that they had in view was down to Rs. 50 crores, and the reductions that they secured were secured by a ruthless and somewhat indiscriminate use of the axe. And, Sir, what was the result? The result was that the balance between administrative and fighting services was upset; the equipment of the Army fell into arrears; and five years later we had to come up with a programme of re-equipment which was calculated to cost Rs. 10 crores and which could only be financed by the machinery known as the stabilised Budget.

Now, Sir, the features of that Budget are well known. Firstly, a fixed allotment for a series of years, and, secondly, the power to carry forward savings within that allotment from one year to another. The first of these features disappeared long ago. The second, that is, the power to carry forward savings, has been preserved as far as it was possible to do so with the progressive reduction in our allotment; and it is to this second feature I think must be ascribed the ability of the Army authorities to put through a very large proportion of their re-equipment programme at a time of particular financial stringency and also at the same time to secure very large economies. So long as the Army knew that even a portion of the savings they secured would be retained for their own use, they were willing to work heart and soul to make those savings as large as possible; but, Sir, when golden eggs are produced on the assurance that the producer will be allowed to hatch a certain number of them,

[Mr. G. R. F. Tottenham.]

the disappointment of those hopes is not likely to lead to further productivity.

The only other point that I have to make about the stabilised Budget is that the system was very carefully examined by the Retrenchment Committee and they came to the deliberate conclusion that it involved no relaxation of financial control.

Now, Sir, returning to our re-equipment programme, some of it still remains to be accomplished. But I think I can say definitely that both our transport and our armament are now in a far better condition than they were five years ago; and in fact the army in India, in the matter of equipment, can now stand comparison with any army in the world. I contend that it is no mean achievement to have reduced expenditure by nine crores in five years and, at the same time to have put through a programme of re-equipment which has cost over seven crores and, in addition, to have paid out of our Budget nearly two crores on disturbances.

Now, Sir, it is perfectly true that it is no use having an Army at all unless that Army is properly equipped, armed, housed, fed and looked after in every way. Modern inventions come into the field, whether we like it or not. We must pay attention to them and keep up to date, because no Army can stagnate; and, in this connection, I would like to say a few words with regard to what my friend, Mr. Arthur Moore, said about the development of the Royal Air Force. I know he has made much the same remarks on previous occasions and that he has received the answer—perhaps a somewhat unsatisfactory answer for him—that the matter was one for experts and hardly suitable for discussion on the floor of this House. To that general position, I am afraid, I must adhere. It is a most difficult question and there are two sides of it; but I should like to assure the Honourable Member that his views and the views of those who think with him have been very carefully considered. The whole matter of the strength and composition of the armed forces in India is now at this moment under consideration in England, not by a particular department—either the War Office or the Air Ministry—but by the Committee of Imperial Defence; and, therefore, he has no reason to fear that every aspect of the case will not receive the full attention that it deserves.

As regards mechanization itself, I may say one or two words in view of certain remarks that were made in the course of the general discussion on the Budget. I confess I was somewhat surprised that certain Honourable Members should have expostulated at the idea that motors should be regarded as luxuries in civil life, but should have thrown some doubts as to the degree of mechanisation desirable in the Army. Of course the fact is that mechanisation is just as necessary in the Army as it is in civil life. There may, however, be an impression that we in India have been going in for all sorts of experiments in mechanisation, such as those which we know have been undertaken at home in mechanising fighting troops. If so, I should like to dispel that impression. In India we have proceeded only a very small way in that direction: we have practically no mechanised fighting units, except a few armoured cars and one mechanised field battery of artillery. The heavier guns and equipment are, it is true, drawn by motors, but that was the case for several years before the present mechanisation programme came into existence. As regards the transport of supplies, we have been doing our best to

mechanise; and we contend that our mechanisation *has* been economical. I have had figures prepared which show that the direct charges incurred upon the transport and supply services before the mechanisation programme was undertaken and the charges at the present day are about the same: that is to say, we spend on the mechanical transport and animal transport of today about the same we did in 1927. But in addition to that our present organisation gives us very greatly increased efficiency, efficiency due to increased mobility and increased lift . . .

Diwan Bahadur A. Ramaswami Mudaliar: Am I to understand that the total expenditure on animal transport and mechanical transport today is the same as it was on animal transport before the mechanisation scheme was introduced?

Mr. G. R. F. Tottenham: That is not quite the case. Animal transport existed by itself before the war. Since the war we have always had some mechanical and animal transport, but until the present mechanisation programme was introduced, our expenditure on animal transport and mechanical transport combined came to so much; we then started this programme of mechanisation and switched over much more extensively from animal transport to mechanical transport. The initial expenditure was undoubtedly fairly heavy; but after the change over had taken place, the maintenance charges remained the same as before; and we have very much increased efficiency.

What I have been trying to prove in what I have said so far is that it is uneconomical and bad policy to finance defence expenditure by a series of drastic reductions which necessitate a few years later a special programme of re-equipment in order to get square. The object in view should, in our opinion, be to avoid violent fluctuations in defence expenditure and to endeavour to reach a minimum which is sufficient, and no more than sufficient, to keep the forces which it is desired to maintain up to the proper level of efficiency and readiness. That is our present policy. The last two years have been years of turmoil and they have produced remarkable results. What we are now engaged in doing is taking stock of the position, seeing how many of our economies are really of a recurring nature and how many of a non-recurring nature and generally attempting to arrive at a minimum normal maintenance figure for a force of a given size. Thus eventually, and I hope before long, we shall be able to say "If you wish to maintain a force of a particular size, you must give us so much money; and if you cannot afford to give us so much money, then you must reduce your fighting strength". That, I think, is what His Excellency the Viceroy had in mind when he informed this House the other day that the limits of retrenchment had nearly, if not quite, been reached.

Now, I am well aware that there are those who consider that our defence expenditure is still far too high, that the country cannot afford even Rs. 46.20 crores and that something must be done to reduce the bill. That is a perfectly legitimate view to hold, provided,—and I hope Honourable Members will not mind if I speak somewhat plainly,—provided that those who hold it are prepared to take the consequences of the reduction. Under our present constitution—I am merely stating the fact—that responsibility does not lie upon our critics. The responsibility lies primarily upon the Government of India and their expert adviser, His Excellency the Commander-in-Chief; and ultimately upon His Majesty's Government who are

[Mr. G. R. F. Tottenham.]

responsible for the safety of the whole Empire. It is the duty of His Excellency the Commander-in-Chief to assess the risks to which India is exposed and to give an estimate of the insurance necessary to cover those risks. It is for the Government of India and His Majesty's Government, after taking into account all the circumstances, to decide whether that insurance is excessive or not; and finally it is the duty of the Army authorities to carry out the policy decided upon at the minimum cost to the tax-payer.

Now, as Honourable Members are aware, there are two very important inquiries which have taken place recently which have a most important bearing on this subject. I refer to the expert inquiry into the strength and composition of the Army in India, which is now under consideration by the Committee of Imperial Defence, and, secondly, to the Capitation Rate Tribunal, which, I can assure the Honourable the Mover, did go fully into the allied question of a contribution from Imperial revenues towards the cost of the Army in India and had before it all the arguments which have been adduced in favour of such a contribution in the past by Honourable Members of this House. Unfortunately I am not in a position to make any announcement with regard to either of these two inquiries. All I can say is that the decision cannot be much longer delayed. Meanwhile I do contend on behalf of the Army that they have fully discharged their side of the responsibility, that is to say, they have reduced the cost of the Army to the utmost limits short of reducing its strength. It is possible, I admit, that there may be a few more lakhs

Mr. B. Sitaramaraju: If I may interrupt the Honourable Member, I would like to know from him clearly whether the Capitation Rate Tribunal has gone into the question of contribution leviable from the Imperial Exchequer to the Indian Exchequer.

Mr. G. R. F. Tottenham: I explained that the Tribunal *had* gone into that question. As I was saying, I admit that a few more thousands of rupees, or possibly a few more lakhs, may come from retrenchment. But I understand that what this House has in mind is a reduction of crores and not of lakhs. A second point is that no useful purpose is really served by quoting statistics which go to show that India pays far more for her defence than other countries of the world. Such statistics are misleading, and must be misleading, firstly, because they assume that all countries are equally vulnerable, which is obviously not the case, and secondly, because it is extremely difficult to arrive at any common basis of calculation. Some countries may include in their defence estimates charges on account of buildings, communications, pensions, and so on: whereas other countries may omit such items. There may be countries which show a comparatively small defence Budget and which yet may be making large preparations for war. Various statistics have been quoted by Honourable Members today and I quite admit that they may be right. All I say is that I could undertake to produce another set of statistics which would take into account various other matters, such as interest on war debt, and so on, and which might show that India did not pay in comparison so much for her defence expenditure as other countries do. I might also point to the fact that the actual incidence of the cost of defence in this country per head of the population is infinitely smaller than it is in any other country of the world.

An Honourable Member: But what is the income per head?

Mr. G. R. F. Tottenham: Sir, I do not regard such statistics as of the slightest importance. The fact is that the defence of a country is not a luxury; it is a hard necessity and its cost must depend upon the degree of risk to which each particular country is exposed. Meanwhile, I should like to make it clear in view of something that the Honourable the Mover said, that of all the great nations which took part in the Great War and were victorious, Great Britain and India are, I think, the only two nations in the world which have made considerable reductions in their defence expenditure since the war. In almost every other case, defence expenditure has very largely increased. In the second place, Honourable Members may have in mind a 29 crore Budget or something of that kind and may point to the fact that wholesale prices are now below the pre-war level. It does not, however, follow from this that the Army Budget can immediately follow suit. If one analyses the present Army Budget, one will find that no less than 70 per cent. of it goes on the pay and pensions of the troops. Wages in the open market have not fallen to anything like pre-war levels, and I suggest it would be wrong for Government, even if they could take such a course, to reduce the pay and pensions of their servants in view of what they still hope is a purely temporary fall in prices. We have, however, done what we can to adjust ourselves to the fall in prices. The pay of the British soldier has been reduced; the pay of the officers, British and Indian, in this country has been cut; our kit and clothing allowances have been reduced by over 12 lakhs; and the reduction of pay for future entrants of certain classes is under consideration. The sepoy's pay has not been touched, and I hope that nobody will suggest that it should be, although actually it does form a very large proportion of our total expenditure. On the other hand, only 12½ per cent. of our Budget goes on the purchase of stores, and those stores may include anything from raw material on the one hand to a finished aeroplane on the other. It is obvious that though wholesale prices may have fallen to pre-war levels, the price of manufactured articles has not followed suit, and, therefore, we cannot expect to secure equally large reductions on all our stores.

Finally, Sir, Honourable Members of this House may not realise that a 29 crore Budget in 1914 represented actually a larger proportion of the total revenues of India than does a 46 crore Budget today. I have the figures here and can produce them, if necessary. In other words, that means that the level of civil expenditure since the war,—if we are speaking about levels of expenditure,—has increased, while the level of defence expenditure has gone down.

Now, Sir, I shall attempt to deal with two or three of the more important criticisms that have been made during the course of this debate. In the first place, my friend, Sir Muhammad Yakub, complained that we had not given effect to certain recommendations of the Retrenchment Committee and that we had given no explanation for failing to do so. I think, if he were to look at the statements that were laid on the table this time last year, he would find that explanations had been given in all cases in which we had failed to accept the recommendations of the Committee. In the statements that we have laid on the table this year, we have definitely said that we have not repeated those explanations, as a small measure of economy. In any case, I think the recommendations to which Sir Muhammad Yakub referred were mostly of a minor character. If we

[Mr. G. R. F. Tottenham.]

had accepted them, it is true that we might have got another one or two more lakhs of rupees. But, as I said before, I understand that what we are now concerned with is a reduction of crores rather than of lakhs. I can give the Honourable Member in one case the explanation that he asked for—as regards the Lawrence Schools. He complained that we had not accepted that recommendation. The explanation is as follows,—and it was given in last year's Report:

"His Excellency the Commander-in-Chief accepts the principle that the Lawrence Schools should not be charged to the Army Estimates and will be glad to relinquish his responsibility to some other authority. Since the mere transfer of liability from the Army Estimates to some other head is not in itself an economy, the saving taken by the Committee of Rs. 5,90,000 has been omitted from their list. Pending settlement of the general question, it has been found possible to reduce the Army Estimates for the Lawrence Schools by some Rs. 36,000."

Then, Sir, my friend, Diwan Bahadur Ramaswami Mudaliar, made an attack on the Medical Services and the Military Engineer Services. I do not think he will expect me to answer everything that he said now. As regards the Medical Services, I can only point to the fact that we have actually secured Rs. 14½ lakhs saving in the Budget for next year against the recommendation of the Retrenchment Committee of Rs. 9 lakhs in the Budget for 1932-33. It is possible that our savings may be increased. For instance, we have fully accepted the principle of the amalgamation of British and Indian Hospitals, and we are doing our best to give effect to that policy as circumstances permit. Unfortunately, there are certain cantonments in which the Indian Hospital and the British Hospital are situated at different ends of the cantonment, and it would obviously not be an economical proposition to amalgamate them, but wherever we can, we have been doing so.

Then, my friend seemed to regret the fact that our Hospitals were empty, and that our Medical Officers had not enough work to do

Diwan Bahadur A. Ramaswami Mudaliar: I regretted the fact that there were too many Medical Officers.

Mr. G. R. F. Tottenham: Personally I should prefer to see four or even five Medical Officers looking after an empty Hospital than to see one or two Medical Officers looking after a full Hospital. It is very much cheaper.

Then, Sir, there is also the question of dentists. We did look into that matter most carefully, and what we were told was that there was no institution in India which afforded advanced training in dentistry of the kind which we require, and that, I suggest, is a matter which the Local Governments might look into and remedy. I can assure the House that the teeth of the Army are no worse than the teeth of any other section of the population. The fact is, I think, that the medical profession generally have been paying a great deal more attention than they used to do to that part of our anatomy. Generally speaking, I think we must remember that we have grim lessons behind us in the matter of the Medical Services, and we must be careful to do nothing which will adversely affect those Services which have now been brought to a very high level of efficiency and which have, after all, done an enormous amount to improve the health of the Army.

Then, Sir, there is the question of the Military Engineer Service. In the first place, I can assure my friend that all the recommendations we

have accepted have been given effect to. I cannot explain at the moment why it is that the effect of the reduction in the depreciation charges has not been greater; but I think probably the explanation is that the total capital cost of our buildings has increased owing to the addition of new buildings, which have been coming into existence year by year, and, therefore, 1½ per cent. on our present buildings is not so much less, as he might hope, than 1¾ per cent. on the previous buildings.

Then, Sir, as regards establishments we have not announced this fact before, but we have had under consideration a thorough re-organization of the M. E. S. which has recently been accepted and sanctioned by the Secretary of State; and the result of that will be that there will be a reduction of 27 British Officers, against the 24 recommended by the Committee, and a reduction of two temporary civilians (Indians), and an addition of five Indian Assistant Engineers. That gives a total reduction of 24, which was the figure recommended by the Committee. It is possible that next year's Budget does not show the full reduction, but that may be due partly to the fact that some officers who were previously shown under other heads are now shown under M. E. S., and also possibly it will take some time for them to be absorbed and, therefore, provision next year

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member may now conclude.

Mr. G. R. F. Tottenham: Very well, Sir. I have nothing much more to say. I cannot hope that my remarks have satisfied all our critics. We in the Army Department are accustomed to adverse votes in the Assembly. I would merely suggest that it is possible to get too accustomed to such adverse votes. We all know that an adverse vote may be a very desirable stimulant, but if stimulants are administered in too frequent doses, they are apt to lose their effect and may in some cases turn into narcotics. I am not suggesting that we shall be negligent or lethargic in future; but I cannot disguise that it would be an enormous encouragement to us to receive the support of this House for once in a way. If, therefore, I have succeeded in convincing any single Member of this House that we have been making very real and genuine efforts to reduce expenditure, I hope he will give us that encouragement by the way in which he records his vote today.

Mr. B. Sitaramaraju: I do not propose to take up much time of the House. I would only like to say that my Honourable friend, the Army Secretary's remark with regard to the contribution and the Army strength that the matter was under the consideration of the Capitation Tribunal is indeed satisfactory to me,—not that the matter has been satisfactorily disposed of, but that the matter, when the report of the Capitation Tribunal is published, would be available to us for discussion. Therefore, for the present purposes, I consider that the matter, so far as the contribution and the Army strength are concerned, may be allowed to lie over for the present.

As regards the third question, the question of retrenchment, I am sorry to say that my Honourable friend's remarks are not as satisfactory as his remarks with regard to the first two. The Honourable gentleman himself has stated that he was able to meet a sum of two crores extra expenditure at a time when we consider that the Army was having a Budget only for its just requirements. After all, even if we were to take into consideration the fact that the prices have gone down, that could

[Mr. B. Sitaramaraju.]

only account for one crore of rupees, but here, as a matter of fact, is an admission that two crores extra expenditure, which was not found in the Budget, was actually found by reappropriation from the allotments allotted in that Budget. That would show that there is, in spite of the repeated statements made by the Army Secretary that they have only budgeted for their just requirements, still room for an expenditure of two crores without exceeding those limits. Further, we were given once to understand that the re-equipment programme had to be abandoned on account of retrenchment or that that was forced on them owing to the depression. We find here actually that no less than $7\frac{1}{2}$ crores were spent during a period of three years when we were faced with an acute economic depression, and those $7\frac{1}{2}$ crores were actually spent for that purpose, and all that remains to be done in that direction is only Rs. $1\frac{1}{2}$ crores. That, again, shows that everything has not been properly done to retrench expenditure. The Honourable gentleman said that the Rs. 29 crores incurred on military expenditure prior to the War was a greater proportion of the revenue than the Rs. 47 crores military expenditure is of the present day revenue. I am afraid, I cannot agree with that. The policy of the Government of India from the earliest times was to take one major head of income for this purpose irrespective of other considerations. In the earlier years, land revenue was a principal source of revenue to the Central Government. When the land revenue was Rs. 17 crores, the military expenditure was 17 crores. When it went up to 21 crores, the military expenditure was 21 crores. Afterwards, when land revenue went over to the provinces, the Government of India transferred their affections to the customs revenue. When the customs revenue was 40 crores the military expenditure was 40 crores. When it went up to 50 crores, the military expenditure went up to 50 crores. (Laughter.) Therefore, all these would show that the actual requirements are never the criterion for expending on this Department.

Hony. Captain Rao Bahadur Chaudhri Lal Chand (Nominated Non-Official): Has this not been the case with other Departments also, law and justice, medical, etc.?

Mr. B. Sitaramaraju: Assuming that other Departments have worked in a bad way, is that a reason why this Department also should work in a bad way? I do not think that the Honourable gentleman is right in comparing this with other Departments, because the expenditure of the Army Department in India has no parallel anywhere else in the world. I am sorry that the Army Secretary has not noted the fact when I read the Simon Commission report where a statement is made that we were spending on military expenditure twice and thrice the sum spent by all the other Empire countries put together, excluding Britain. We stand seventh among the Great Powers of the world so far as military expenditure is concerned.

The Army Secretary was taking credit for having reduced a sum of nine crores, and he also referred to the fact that immediately after the War the expenditure was even 63 crores, and that it has now been reduced to 47 crores, which he thinks is a reduction to be satisfied with. But I would invite Honourable Members' attention to the way in which the military expenditure has doubled after the War when other nations have reduced their expenditure. Only for the purpose of improved barrack and hospital accommodation and electric lighting, for an increase of

establishment of the Army Dental Corps in 1927, for a military nursing service for Indian troops sanctioned in 1926 and matters of that description, a sum of over 30 crores was added over and above the expenditure of 29 crores, that is to say, twice the sum was spent merely for the above purposes. It is no credit to say now that they have reduced from that high figure of 63 crores. I am glad that the Honourable gentleman has admitted that there are even in such an excellent and efficient department as the Army some bad points which my Honourable friend, Mr. Mudaliar, has emphasised. I am sorry to say that adequate answer has not been given to the remarks made by my Honourable friend, Mr. Mudaliar, particularly with reference to the two Departments which he has mentioned, namely, the Medical Services and the Military Engineering Services. The Army Secretary referred to the question of amalgamation of British and Indian Hospitals. I find in the Budget of 1933-34 a note at page 95 which states:

"In order to effect economy, it has been arranged at certain stations that Indian Military Hospitals should have small British sections attached to them and *vice versa* instead of having two complete Hospitals at the same station."

I thought that a great reform had been inaugurated, but great was my surprise when I found the identical words in the Budget Estimates of 1930-31. Sir, it seems that the priests of the Army Medical Service have an incantation which they repeat year after year.

The Retrenchment Committee have suggested nearly three crores retrenchment, but we find actually a reduction of only one crore and 70 lakhs. I will close with one more word. The threat that if the prices would go up it would increase the burden of military expenditure is very startling and very unpleasant at the moment, when we are faced with an acute economic crisis. In fact, while the whole country is burning with economic depression, my friends in the military are fiddling with these re-equipment programmes regardless of the dire need for retrenchment. With these words, I resume my seat.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That the demand under the head 'Army Department' be reduced by Rs. 100." The Assembly divided:

AYES—39.

Abdul Matin Chaudhury, Mr.
Abdur Rahim, Sir.
Anwar-ul-Azim, Mr. Muhammad.
Azhar Ali, Mr. Muhammad.
Biswas, Mr. C. C.
Das, Mr. B.
Dutt, Mr. Amar Nath.
Gour, Sir Hari Singh.
Hoon, Mr. A.
Jadhav, Mr. B. V.
Jehangir, Sir Cowasji.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Krishnamachariar, Raja Bahadur G.
Kyaw Myint, U.
Lahiri Chaudhury, Mr. D. K.
Lalchand Navalrai, Mr.
Maswood Ahmad, Mr. M.
Misra, Mr. B. N.
Mitra, Mr. S. C.
Mody, Mr. H. P.

Mudaliar, Diwan Bahadur A. Ramaswami.
Murtuza Saheb Bahadur, Maulvi Sayyid.
Neogy, Mr. K. C.
Pandit, Rao Bahadur S. R.
Parma Nand, Bhai.
Ranga Iyer, Mr. C. S.
Reddi, Mr. T. N. Ramakrishna.
Roy, Rai Bahadur Sukhraj.
Sen, Pandit Satyendra Nath.
Shafee Daoodi, Maulvi Muhammad.
Singh, Mr. Gaya Prasad.
Sitaramaraju, Mr. B.
Sohan Singh, Sirdar.
Thampan, Mr. K. P.
Uppi Saheb Bahadur, Mr.
Wajihuddin, Khan Bahadur Haji.
Yakub, Sir Muhammad.
Ziauddin Ahmad, Dr.

NOES—44.

Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Acott, Mr. A. S. V.
Ahmad Nawaz Khan, Major Nawab.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik.
Amir Hussain, Khan Bahadur Saiyid.
Bajpai, Mr. G. S.
Bhore, The Honourable Sir Joseph.
Clow, Mr. A. G.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Fox, Mr. H. B.
Grant, Mr. C. F.
Gwynne, Mr. C. W.
Haig, The Honourable Sir Harry.
Hezlett, Mr. J.
Hudson, Sir Leslie.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur
Sardar.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.

Leach, Mr. A. G.
Mackenzie, Mr. R. T. H.
Metcalf, Mr. H. A. F.
Miller, Mr. E. S.
Mitchell, Mr. D. G.
Mitter, The Honourable Sir
Brojendra.
Moore, Mr. Arthur.
Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Nihal Singh, Sardar.
Noyce, The Honourable Sir Frank.
Rafiuddin Ahmad, Khan Bahadur
Maulvi.
Rau, Mr. P. R.
Ryan, Sir Thomas.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Seaman, Mr. C. K.
Sher Muhammad Khan Gakhar,
Captain.
Singh, Mr. Pradyumna Prashad.
Smart, Mr. W. W.
Smith, Mr. R.
Tottenham, Mr. G. R. F.
Vachha, Khan Bahadur J. B.

The motion was negatived.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a reduced sum not exceeding Rs. 4,08,999 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Army Department'."

The motion was adopted.

DEMAND NO. 31—FOREIGN AND POLITICAL DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now take up for consideration Demand No. 31. The motion before the House is:

"That a sum not exceeding Rs. 7,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Foreign and Political Department'."

Retrenchment of Expenditure controlled by the Foreign and Political Department and Indianisation.

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Sir, I move:

"That the demand under the head 'Foreign and Political Department' be reduced by Rs. 100." in order that we may discuss the questions of retrenchment of expenditure controlled by the Department, and of Indianisation.

Sir, the Army Secretary, in replying to the motion moved by my friend, Mr. Sitaramaraju, said that it is they that are responsible for the efficiency of the Army and for the expenditure incurred over the Army, implying thereby that the Legislature should abstain, as much as possible, from criticising the action of his Department. If that applies to the Army

Department, I am afraid, it applies with equal, if not stronger, force to the Foreign and Political Department. The Army Secretary also said that the Army is considered by some people in this House as a sort of dark dungeon. I wonder then how he would describe our ignorance with reference to the Foreign and Political Department. Sir, it is difficult for us to point out exactly what is the expenditure controlled by that Department and what savings, if any, have been effected in that Department. Sir, we have got to look not only into the big book of Demands for Grants, but also into an appendix that has been supplied to us. From the figures that I find there, it seems to me that the Budget of this Department—not only of the Secretariat, but also what is called "Political" and the various other terms under that head—comes to Rs. 3,92,21,100. I have tried my best to make the calculation and that is the result which I have reached. That does not include any expenditure for the N.-W. F. Province which has now its own Government and the Government of India only give them a subvention of one crore. If we take that into account, namely, the amount that is given to the N.-W. F. Province, the expenditure under the Foreign and Political Department would come to Rs. four crores 92 lakhs odd.

Now, when the General Purposes Sub-Committee went into the question of expenditure of this Department about the end of 1931, that Committee made certain proposals for reduction. Those proposals amounted altogether to one crore 33 lakhs odd, including the reductions proposed in the Budget of the N.-W. F. Province. The inquiry had been started before the separation of that province was effected, and the Committee's proposals also included a certain amount for Aden, I think, amounting to about Rs. 63,000. I do not think that the expenditure in that connection is included in the present Budget. If we, therefore, exclude the N.-W. F. Province Administration, and Aden, but include the expenditure under Watch and Ward and "Political" appertaining to that province, then in that case, the reductions proposed by the Sub-Committee would amount to Rs. 1,21,31,000. It was with reference to the Budget of 1931-32, that the Sub-Committee made its recommendations. So far as the present Budget shows, the saving in expenditure would only amount to Rs. 27,59,000. As I said yesterday, I wish, Sir, we had a statement from the Government as regards the reductions that have been made by them in the various Departments including the Foreign and Political Department. We have no such statement before us, and, therefore, I had to grope my way as best I could among the figures. Now, while the General Purposes Sub-Committee was sitting, we were informed that the Government were prepared to accept a reduction of 72 lakhs in the Foreign and Political Budget as against the figure of one crore 33 lakhs recommended by us. If the figures that I have given now are correct, then in that case it seems that the Government have not carried out even the reduction that they accepted at the time, in the present Budget. I should like to have a full statement from the Government on this point. Even if they reduced the Budget by 72 lakhs the reductions would amount to about 54 per cent. of the amount recommended by the Sub-Committee. Sir, it is not possible, within the very short time at my disposal, to deal with even the salient points on which we have made recommendations for retrenchment. But the Sub-Committee went very carefully into the question and produced a fairly big volume giving all the details. The conclusions reached by the Sub-Committee will be found at a glance at pages 261-262 of the Book where a summary is given. If we had the figures of the Government, we should be in a position to know how far Government have carried out the

[Sir Abdur Rahim.]

recommendations of the Sub-Committee,—under what heads they have thought fit not to accept our recommendations and under what heads they have actually accepted the recommendations of the Sub-Committee. The House knows—I am not sure that every Honourable Member knows it—that the Foreign and Political Department is an extremely mixed Department. It has, for instance, under its control certain Local Administrations, leaving out the N.-W. F. Province which now has a Government of its own, Ajmer-Merwara, Baluchistan, and it is also responsible for certain military organizations or semi-military organizations which are generally known as the Frontier Watch and Ward. Besides that, there are corps of certain aboriginal tribes known as the Mina Bhil Corps, the Mewa Bhil Corps and also another Corps, the Malwa Bhil Corps. Now, one of the recommendations of the Sub-Committee was that so far as the Frontier Watch and Ward is concerned, which accounts for an expenditure of nearly two crores—one crore 92 lakhs to be exact—most of it at any rate, if not the entire amount, should be debited to the Military Budget, because it is really a military organization, directed by military officers and maintained for more or less military purposes. Upon the materials that were available to us, the Sub-Committee recommended certain retrenchments in these military organizations. Now, in dealing with the question of retrenchment as well as Indianization, the Honourable Members of this House must feel the difficulty, that very little is known to the public regarding the operations of the Political Department, its organizations and the principles upon which it acts.

Now, take the Political Department proper; that is, the Political Agencies in the States within the limits of India. It was borne 4 P.M. in upon us that so far as the question, for instance, of Indianization or even of any large retrenchment is concerned, there were practical difficulties. There is an impression that the States in which the Residencies or Agencies are situated or which are looked after by those Agencies or Residencies may not like to have many Indians in the service. I understand from my Honourable friend, Diwan Bahadur Mudaliar, that this was contradicted by the Princes themselves at the Round Table Conference. Now, Sir, supposing that there is some foundation for thinking that as a matter of fact there is objection on the part of the States or some of the States to the employment of Indians in this Department, what does it amount to? The position is this. A great deal of stress is laid on the question of Paramountcy and it is contended by some people that the States must have as they have now, direct relations with the Crown, and it is not for British India, that is the India where we live, to intervene in the matter at all. Now, Sir, this is a very knotty question, but it seems to me that, if we look at the facts in their proper light, the answer is not at all difficult to reach. We all know the history of these Political Agencies or Residencies that were established in those early days when the British first assumed control of Government here, and these Agents and Residents were really Agents of the British people in the courts of those Princes or States. I suppose during those troublous days it was apprehended that for the safety of British Government they should have their own men in the States. Sir, what is the position now? The position now is that not only are the Political Agents there, but we have, I believe, a number of British officials in the service of the States themselves, and India is looking forward, I mean, a number of politically minded people are looking forward to a real federation of the two Indias. If you proceed

on the strict basis that the question of relations between the States and the Crown is one in which British India cannot interfere, then the further question would naturally be asked, why should British India be saddled with the cost? And this becomes very relevant in connection with the question of retrenchment. I daresay, most of the Princes themselves would like to maintain direct relations with the Crown, and if that is also the attitude of Government, then it seems to me very difficult to justify saddling British India with any part of the cost on the Foreign and Political Department at all, because in that case it is the Imperial interest that has to be guarded. On the other hand, if there is likely to be a real federation between the two parts of India and, if we are to proceed on that basis, then the cost ought to be shared between the two, for it would then be in the common interest that these Agencies should be maintained in the States. As it is, it is we that have to pay the entire cost, and I want the House to bear this in mind in dealing with the question of retrenchment. The General Purposes Sub-Committee, while indicating their views as regards the question of policy, satisfied itself with proposing what it considered to be very moderate reductions in the expenditure of this Department. For instance, there are some Agencies which can be doubled up. There are a number of offices which can be reduced. There is the question of supervision or inspection of the Indian State Forces. The cost of that is entirely borne by the British India revenues while, as a matter of fact, the benefit accrues mainly to the States themselves.

Raja Bahadur G. Krishnamachariar: No, it accrues to British India.

Sir Abdur Rahim: No doubt, if it is a part of the Indian Army, the benefit accrues to the whole of India. As regards that, however, the evidence that we had before the General Purposes Sub-Committee was that, as a matter of fact, the Indian Army could not interfere with the organisation or direction of these forces at all. Yet provision is made for their training and inspection out of the revenues of British India. That is the evidence we had and it is upon that evidence that I am basing my remarks.

Sir, as regards the question of Indianisation, what are the facts? I have before me the Quarterly List of the Foreign and Political Department, dated the 1st July, 1932,—I have not one of a later date,—but, if you go through the list, you will find a certain number of Indian names, names of those who are employed under this Department, but most of them doing judicial, administrative, i.e., magisterial or police or educational work. If you look for names of Indians, who are employed in what is political work proper, then all that I can find, subject to correction, is that there are only two men who are employed in such work—may be three, I believe it is not more than two or three. The rest are all employed in ordinarily judicial, magisterial or police or educational duties. Now, Sir, that, I submit, amounts practically to the exclusion of Indians from this Department. Of course if you accept the theory that political relations must be determined between the Crown and the States themselves alone, then the people of British India are out of court. In that case, the demand for expenditure under this head must also go. (Applause.) Sir, is there really any justification for excluding Indians from the Foreign and Political Department—I mean from the officers grades,—for there are of course a number of men employed in the clerical or subordinate staff, but from the officers' cadre, the Indians are practically excluded. I do

[Sir Abdur Rahim.]

not suggest that only men of British India should have a chance of being employed in these political agencies, but there is no reason why men of the States cannot be employed in similar capacities. We find that we have Indians now as Consular Officers or Agents in some other countries. In Europe, we have one or two. In South Africa we have one, and are we really to be told now that Indians should have no look into the agencies and residencies in India itself? There is the Foreign Branch of the Department which deals with the Envoys and Consulates outside India. There also an important question arises—how far should India bear the cost of these legations or consulates. The case that was put forward was this, that is, the case of the Foreign and Political Department, that expenditure on the Consulates, in the Persian Gulf littoral, in Persia, Arabia, Afghanistan, Baluchistan, Nepal, Tibbet, all these are justifiable as being required for trade purposes. Now, Sir, there can be no doubt that India does carry on trade with these countries, and this trade has been carried on from time immemorial. But I do say with confidence that it is not to safeguard India's trade interests that any of these, or at any rate most of these agencies were established. (Hear, hear.)

If you look at the personnel of the Political Department, you will see that it consists of military officers or I. C. S. officers who have had no training or experience which would fit them to safeguard the trade interests of India. If you look at the entire organisation of the Department, of the foreign consulates and legations, the result is the same, that is to say, they are not maintained for trade purposes at all. This was recognised even by the British Government some time ago, who consented, so far as Persia and Persian Gulf is concerned, that they would bear half the cost, but still there seems to be very little justification for saddling India with the rest of the cost. Britain maintains embassies and consulates all over the world. Take for instance, the embassy or legation in Persia. Surely that is a British Imperial affair. This question was recently raised in connection with certain payment which India had to make towards the expenditure in China with reference to a certain consulate there. A Committee was appointed with Sir Henry Wheeler as Chairman. This Committee recommended that this expenditure should not be saddled on India and that the cost should be borne entirely by the British Exchequer. I do not see any reason why a proper enquiry should not be held with respect to similar payments with respect to consulate establishments in other parts of Asia. I mean to say that if a proper enquiry were held, then we should be in a better position to know why India should or should not bear any portion of the cost, what benefit India derives from these establishments and, if the cost is to be divided, what is the proper proportion between the two countries? This involves a big question of policy which suggested itself to the General Purposes Sub-Committee and which, I submit to the House, also requires careful examination. As regards the foreign consular establishments generally, we were in a difficult position, so far as obtaining the necessary information was concerned, but with the material available to the Sub-Committee it was in a position to recommend certain reductions in expenditure which were obvious to them. Sir, on this Sub-Committee we had the advantage of having Mr. Ramsay Scott, who was familiar with the condition of things in Persia, Baluchistan, and Afghanistan and who helped us greatly with information, and I should like to say that we felt very much strengthened in our recommendations by his support.

It is not possible to deal in detail with a subject like this within the short time at our disposal. All that I wish to say is: that it is an important Department which affords room for considerable retrenchment and I should like to hear from the Honourable the Secretary in charge of the Department what economies have been effected up to date. I should like to have a full statement of what has been done, what recommendations he was able to accept and what he did not accept. It is then that we shall be in a position to pass full judgment on the Budget of this Department.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Foreign and Political Department' be reduced by Rs. 100."

Mr. B. Das (Orissa Division: Non-Muhammadan): Sir, my Leader, Sir Abdur Rahim (Interruption and Cheers) enunciated a proposition that the Princes should bear the expenditure of the Political Department. I know the Political Department is a luxury and that Political Agents are a luxury; and we know that Princes have many luxuries; but Princes, like protected industries, are protected personages. So, naturally, when they incur any debts or commit any violence in British India, they cannot stand the racket of the British Courts and they also require that India and the Indian tax-payer should supply this additional luxury, the Political Department

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member cannot indulge in any attacks on the Indian Princes; it is not permitted by the rules.

Mr. B. Das: I am only referring to the Political Administration—how far under the coming Federation this thing will be possible—I do not think the Davidson Report says at all that the Princes should contribute a little more to the Indian Exchequer so that the cost of the Political Department might be partly borne by them. But while travelling nearly four weeks ago from Bombay to Cuttack, my native place, and from Cuttack to Delhi, I heard that the different Political Agents were exercising great pressure on the small tiny Rajas and Maharajas that they should oppose tooth and nail their coming into the Federation, because, when they come into the Federation, there are the Congress firebrands like Mr. S. C. Mitra and myself and Mr. Gaya Prasad Singh who will swallow these Princes and there will be no existence of these Princes in the Federal Assembly when they become part and parcel of the Federal Assembly. I am not today so sanguine that the Federation is coming at all or that the Princes will come into the Federation or that they will contribute their quota to meet the cost of administration of the Political Department. I do agree that there should be economy and retrenchment in the Political Department and I will not touch the special portfolio of my Honourable friend, Mr. Metcalfe,—the Foreign Department: I entirely agree with the observations of my friend and revered Leader, Sir Abdur Rahim, regarding the Foreign Department's policy. About the Political Department, I would like to illustrate it by referring to the particular part

[Mr. B. Das.]

the country which I inhabit—Orissa. As all of us know, Orissa is going to be a separate Province

Mr. H. A. F. Metcalfe (Foreign Secretary): May I point out that the question is still under consideration with the Secretary of State and no decision has been taken and no decision is likely to be taken for a little time, and whether it will be discussed in those circumstances? It is information to the Honourable Member.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): About the location of Orissa?

Mr. H. A. F. Metcalfe: No; placing of the Orissa States under the Government of India, Political Department, is a matter at present under consideration.

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muhammadian): But have you not got sanction from the Standing Finance Committee for giving effect to that recommendation? The other day a meeting was held when we sanctioned a sum of money for this purpose.

Mr. H. A. F. Metcalfe: It is still under consideration: the matter is awaiting the orders of the Secretary of State.

Mr. B. Das: I do not wish to embarrass my friend, Mr. Metcalfe, but I wish to put certain matters for consideration by him and also by the Secretary of State. That is all I want and I am very glad that my friend, Mr. Gaya Prasad Singh, pointed out that the whole matter came up before the Standing Finance Committee and I read a portion of it published in *Hindustan Times* this morning. I wish to point out that in Orissa people are very apprehensive. There is strong rumour that the office of the Political Agent will be removed from Orissa—if it is now located at Sambalpur,—and will be taken away to Bihar. Everybody knows that I am being separated from Bihar and we do not like that Bihar should become the headquarters for the Agent's office. Of course my Honourable friend, Mr. Gaya Prasad Singh, from Bihar wants always to profit at our people's cost. There are twenty-six States in Orissa known as the Orissa States and fourteen States in the Central Provinces. Why should the office be located in Bihar I cannot understand; and I would like to move here a resolution which was passed recently at the Utkal Leaders' Conference:

"This Conference is of opinion that the office of the Agent to the Governor-General of the Orissa States should be located in Orissa."

I am pointing out the whole thing from the view point of retrenchment. If the Agent's office is located at Sambalpur, then there is no necessity for any extra expenditure. But if the office is located at Ranchi, for example, I am told, the Bihar Government has offered the Government of Orissa two or three rickety buildings, the Biharis will come and work as administrators and office staff of the Orissa States. We do not want Biharis to come to Orissa at all. There are enough Oriyas to look after

Orissa and Orissa States. I do hope the money that the Government of India spend for the Army or for the Political Department is distributed on a certain proportionate basis in the Provinces. Why is my friend, Major Nawab Ahmad Nawaz Khan, so anxious that the Army should be located in the North-West Frontier? Because most of the money is spent there and his people, whether they are shop-keepers or *bhistiwalas* or camel drivers—they all derive benefit from the money that the Army spends; it returns to the people there. I would like that the Army should be distributed and located in every Province so that the amount spent by the Central Government—(interruption) I do not yield—is returned to the people of the country. That is my submission to my friend, Mr. Metcalfe. I am not speaking to find fault with his Department; but I do wish that the Department, which he and his colleague control, will see that the office of the Political Agent is not removed from the interior of Orissa to a place outside Orissa and force on us intermediary rulers who will come from my friend, Mr. Gaya Prasad Singh's Province. We have had enough intermediary rulers: we have had enough Bengalis and enough Telugus and we do not want to be saddled with Bihari friends from Ranchi. I do not wish to talk about general retrenchment and I do feel, my friend, Mr. Metcalfe, will consider the proposition I have put forward whereby lots of money will be retrenched in the administration of the office of the Agent to the Governor General which will be shortly put up for the Orissa States. The people of these Orissa States should have an easy approach to their Political Agent and Agent to the Governor General and that is why the Oriya people are so anxious that the Political Agent's Office should not be removed from Sambalpur in Orissa.

Raja Bahadur G. Krishnamachariar: Sir, the motion comprises two different Departments of the Government of India—the Foreign and the Political. So far as the Foreign Department is concerned, I do not profess to know much about its operations and I do not, therefore, intend to take the time of the House by making observations upon a matter with which I am not particularly acquainted. But, I know some little thing about the Political Agency and I hope the House will allow me a few minutes to make my observations upon that portion of the motion which relates to retrenchment in connection with the Political Department. I will take first the question of the Indian States Army which, I said, was decided and distinctly for the benefit of the British Government. I say so, because if you will look back to the history of these Imperial Service Troops as they are called in Hyderabad—and I believe they are so called in other States, I certainly know it is so called in Mysore, the late Nizam, at the time of the Pinjdi incident, offered a sum of Rs. 60 lakhs for helping the British Indian Government in order to pursue their operations against the intended Russian invasion. Sir, the Russians never intended to invade. Certain officers got all those decorations that they used to get after the military operations and the Russians were supposed to have withdrawn having come half the way. However, these 60 lakhs were not utilised for some time, and then a brilliant idea struck somebody that it would be better to utilise that sum as a fund to raise and organize troops on the British Indian model so that they might be useful in time of war. That, Sir, is the genesis of the Hyderabad Imperial Service Troops, and that, I believe, is the genesis of the entire Imperial Service Troops, some of which were organized under circumstances which probably it would not be sane to make mention of here. However, what

1796

LEGISLATIVE ASSEMBLY.

[8TH MARCH 1933.]

[Raja Bahadur G. Krishnamachariar.]

happens is this. They are not certainly under the operation of the Indian Military Regulations, but directly they are drafted into the field, they are under one command, they are under one set of rules and the Acts or Regulations in the various States have been amended in order to bring them into conformity with the Rules and Regulations obtaining in British India so far as the Army is concerned. Now, Sir, there is an officer called the Inspector General for the Imperial Service Troops and there are all sorts of other officers subordinate to him, and they are all paid from the British Indian Exchequer. If you look at the duties of these Imperial Service Troops, you will find that they have nothing absolutely to do during peace time. If there is a Commander-in-Chief's visit or if there is some other Army Manœuvre, all these troops come and decorate the field, with beautiful badges on their breasts and first class horses for the lancers and then they make all sorts of manœuvres and go home. That is the service these people render, and this is how they are kept fit, and there is an establishment to keep them fit. That, Sir, I understood, was the attack of my friend, Sir Abdur Rahim, when he said that the cost of training of those troops and keeping them fit should not be saddled on the British Indian Exchequer.

Now, with regard to the Political Agencies and Residents, we all remember, Sir, the picturesque description of Lord Macaulay where he says that even now there is a Nizam whose capital is overawed by a British cantonment and at whose Court there is a Resident who, under the shape of advice, gives commands which dare not be disobeyed. That is what Lord Macaulay wrote, and the position is not very much different today.

An Honourable Member: It is much worse.

Raja Bahadur G. Krishnamachariar: I cannot say it is worse, for the reason that so much light has been beating now-a-days upon the operations of Political Agents and Political Residents that they, in spite of the extraordinary powers they possess or claim to deport people who make themselves a nuisance within their administered areas, are not in a position to exercise all those autocratic powers, more autocratic, I assure you, than even the powers of the Princes themselves which they used to exercise in the olden days.

Now, take the Hyderabad Residency. We have got there the Resident, two Assistant Residents and an extra Assistant. The Resident gets, I believe, Rs. 4,200 and Rs. 800 as sumptuary allowance. (*An Honourable Member:* "Sumptuous allowance")—I do not know what it is. Then, there is a First Resident, whose pay is somewhere about Rs. 1,800 to Rs. 2,000, and there is a second Assistant Resident whose pay is about Rs. 1,000. In the olden days, they administered the Berars and, later on, they administered certain cantonments and certain other areas. Now, all those things have gone. They have got in a grand name what they call the administered areas, and if you will look into it, you will find the railway lines as well as a few trade spots here and there are all they have got. In order to administer this, they have got these administrative officers.

There is a little story about the Indianisation which, I think, I might tell the House briefly. In the olden days, when Sir T. Plowden was the Resident of Hyderabad, he wanted to appoint, not a First or Second

Assistant Resident, but an extra Assistant Resident, who is the chief ministerial officer in the Residency, an Indian, by name Mr. Ganpatrao Sahasrabudhe. Telegraph wires were busy humming with telegrams between the then Foreign Office and the Residency at Hyderabad informing them that the skies were going to fall if Mr. Ganpatrao Sahasrabudhe were appointed Extra Assistant Resident. Sir T. Plowden was a strong man. Whatever may be said against him, he always stood out for the Indians and he at once offered his resignation, and he said: "Either you allow me to appoint this man or you may accept my resignation." Then Mr. Ganpatrao was appointed. That used to be the fight in the olden days. It is news to me,—I believe my friend, Diwan Bahadur Ramaswami Mudaliar, said just now that the Princes themselves do not want that Indians should be appointed. I do not know which Princes said that. I do not doubt

Mr. Lalchand Navalrai: It is a fact.

Raja Bahadur G. Krishnamachariar: I do not doubt that fact at all. That is why I am trying to know which Indian Princes said that and on what occasion

Mr. N. M. Joshi (Nominated Non-Official): They did not say that.

Raja Bahadur G. Krishnamachariar: Very well, I do not know who said that. Surely, Sir, if one had had the time to read the speeches of His Highness the Maharaja of Bikaner, regarding the pranks played by the various Political Agents attached to his Court, it would be curious that these Indian Princes should not like to have a few Indians in their States as Political Officers.

Now, I know a little bit of a story regarding the appointment of an Indian Executive Councillor. When one Member was proposed to be added to the Viceroy's Executive Council and also to the Governors' Executive Councils in the various Presidencies, it was stated that the whole of the British Empire in India would crumble down if Indians were admitted there, because the entire secrets of the Government of India and of the Provincial Governments would be known to the outside public and India would not be worth having for more than six months. I believe—I speak subject to correction,—His late Majesty the King Edward was persuaded to believe in that story, but, Sir, there was a statesman at the helm of affairs, the late Mr. John Morley. He was not going to stand any such nonsense. Before, however, this matter came to a head, an objection was raised that the Indian Princes would not like it

Sir Cowasji Jehangir: Like what?

Raja Bahadur G. Krishnamachariar: They would not like the addition of one or two Indian Executive Councillors, and the Indian Princes would be dead against any such appointments. The reason is this. When the Indian Princes come to the headquarters of the Government of India the Indian Executive Councillors would take precedence over the Indian Princes including His Highness the Nizam. Therefore they told these Indian Princes: "Look here, your prestige is at stake if we appoint Indians as Members of the Executive Councils, you will be relegated to a second position". Well, Sir, the tables were turned. I believe the Government

[Raja Bahadur G. Krishnamachariar.]

of India were told that the position occupied by an Indian Prince in the Court in British India was quite different from the official precedence established for the purposes of office in British India, and unfortunately the Viceroy's position itself was shown as an example that directly he hands over charge of his Viceroyalty he does not any longer take any precedence over any Indian State, while the rank of the Princes depended on their birth. However, the fact of the matter is

Diwan Bahadur A. Ramaswami Mudaliar: May I interrupt my friend for a minute. I did not speak in this House, but I told my Leader, Sir Abdur Rahim, that the Indian Princes had stated, on behalf of their Chamber, at the Round Table Conference, that they had no objection to Indians serving in the Political Department.

Raja Bahadur G. Krishnamachariar: I am very sorry I misunderstood . .

Sir Abdur Rahim: And that is exactly what I said.

Raja Bahadur G. Krishnamachariar: I am very sorry I misunderstood my friend. I thought it was the other way. Otherwise I should not have wasted the time of the House over that sort of thing. Sir, if you look into the composition, into the personnel of these Residencies, you will find that a still larger amount than that proposed by Sir Abdur Rahim could be reduced from these establishments, and I, therefore, submit that the cut is a perfectly reasonable one and ought to be supported. I do not think I should take up the time of the House any more. I ask the House to consider this question seriously and pass the cut unanimously against the Government.

Mr. H. A. F. Metcalfe: The Department which I represent has been attacked on so many counts that I shall have to devote myself almost entirely to defending it against one, the charge made by the Honourable the Mover of the motion that we have failed on the subject of retrenchment, and secondly, the connected charge that we have failed sufficiently to Indianise the Department. Before I comment on the subject of retrenchment, I should like to express my gratitude to my Honourable friend, Sir Abdur Rahim, on two counts. The first is that I am grateful to him for giving me an opportunity to abandon my habitual attitude of reticence (Laughter) and to lay before the House all my cards. The second is that I am grateful to him for having given me an opportunity of stating what my Department has done in the matter of retrenchment, which it is obvious from the figures which he stated to the House he has not clearly realised.

The Budget of 1931-32, on which the Retrenchment Committee, over which Sir Abdur Rahim presided, commenced to work, amounted actually to Rs. 648 lakhs and the retrenchment which they recommended on that was Rs. 133 lakhs. Taking that figure of Rs. 648 lakhs, we have first reduced it by Rs. 120 lakhs which is the amount provided for the provincial expenditure, by which I mean expenditure on the North-West Frontier Province. Over that the Foreign and Political Department has no longer any control, nor, therefore, are they able to effect any retrenchment. There are a number of other figures too included in the remaining figure of Rs. 580 lakhs over which we have no real control. They represent treaty

payments, obligatory payments owing to agreements effected many years ago, and also payments which are set off by receipts which are shown in other places. They amount to about Rs. 32 lakhs. The eventual amount which is susceptible, therefore, of retrenchment is Rs. 485 lakhs on which the General Purposes Sub-Committee recommended a total retrenchment of Rs. 121 lakhs, or approximately, 25 per cent. I have brought these figures to the notice of the House with some care, because, I think, it is desirable that they should realise exactly how much was recommended, and I should like at this stage also to point out to the House that those figures are only susceptible of reduction within certain clearly defined limits.

This Department includes among its activities the administrative control and the payment for the administration of at least three fairly important administrations—I refer to Baluchistan, Ajmer and Aden. The Department also conduct political relations on behalf of the Government of India with something over 500 Indian States. They also represent the interests of the Government of India in all the countries which border India. They also, and this is a very important thing, exercise political control and partial administration over the tribal areas of the North-West Frontier.

I will now turn to a statement, which I have here, showing the actual recommendations made by the General Purposes Sub-Committee, the retrenchments which we have effected and an explanation of our failure in each case to work up to the full amount of that recommendation. The first item which I will take—I will take all the important items in turn—is the Foreign and Political Department Secretariat. The General Purposes Sub-Committee recommended a reduction of Rs. 2,75,000. In 1932-33, we effected a reduction of Rs. 1,42,000, and, in the present Budget, we have effected a reduction of Rs. 1,90,000. We are, therefore, only a sum of Rs. 85,000 short of the full amount recommended. In this connection I may point out that the General Purposes Sub-Committee recommended that one of the two Secretaries in the Department should be abolished and also one Deputy Secretary. I can assure the House from my experience, having done the work of both Secretary and Deputy Secretary, that all of us have a very full time job.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): We suggested, instead of having two Secretaries, to have one head and a Joint Secretary.

Mr. H. A. F. Metcalfe: Even that has, under the present circumstances, been found to be entirely impracticable. As the House will understand, a great deal of extra work is at present thrown upon the Department by the necessity for dealing with the various suggestions for Federation and Constitutional Reform. That reason alone is sufficient at the present time to make it quite impracticable to reduce the existing staff in the Department.

I will now turn to the North-West Frontier. In the political expenditure there, a cut was recommended of Rs. 2,75,000. We effected a saving of Rs. 1,64,000 in 1932-33, and in 1933-34 we worked up to Rs. 2,14,000. We are, therefore, only a sum of Rs. 61,000 short of achieving the full amount recommended. Under Frontier Watch and Ward, which includes an item to which my Honourable friend referred, namely, the irregular corps and so forth, a recommendation was made for a cut of Rs. five lakhs. We have already achieved in this Budget up to Rs. 4,50,000 and are, therefore, only a sum of Rs. 50,000 short of the amount recommended. Here,

[Mr. H. A. F. Metcalfe.]

again, I must point out that the whole question of the civil armed forces on the North-West Frontier is one which has received the most careful consideration, not by one Committee, but by several, and only as recently as, I think, eighteen months ago, the whole question was most carefully examined by representatives of this Department, of the Army Department and of the Air Force whose recommendations have to a large extent been accepted. Further reduction is still being examined and will be examined. But the House must remember that we have in that area international obligations which we must fulfil, I refer to our obligations to Afghanistan. If we are deprived of the weapons, with which we exercise our political control, it will be impossible to fulfil those international obligations.

I turn now to Baluchistan. The Committee there recommended a cut of 10 lakhs and 25 thousand. In the first Budget after that, we made a reduction of eight lakhs and 48 thousand and, in this Budget, we have made a reduction of nine lakhs and 55 thousand. We are, therefore, only 70 thousand short out of the total recommendation of 10 lakhs and 25 thousand. In the case of Ajmer-Merwara, a reduction was recommended of three lakhs and two thousand. The reduction actually effected is three lakhs and 72 thousand. In the case of Rajputana, a reduction was recommended of three lakhs 42 thousand, and here we have so far only been able to work up to a reduction of one lakh and 99 thousand in the 1933-34 Budget. The reason for our failure to fulfil more is that the cut of one lakh and 50 thousand recommended on the Rajputana Police has proved to be impracticable. The matter, however, will be further considered. With regard to Central India, a cut of three lakhs and 25 thousand was recommended, and we have made a cut of three lakhs and 13 thousand in the present Budget. For Hyderabad, a cut of 1.61 lakhs was recommended, and we have made a cut of 1.58 lakhs in the present Budget. For the Western India States, 3.25 was recommended and we have made a cut of 2.74. There, again, we are only 51 thousand short out of 3½ lakhs. I may mention something about Aden at this stage since my Honourable friend devoted a few words of his speech to that subject. The reduction which was recommended by the General Purposes Sub-Committee was only 63 thousand and we have actually effected a reduction of a lakh and four thousand.

Now, the next important items are the Political Grant and the Frontier Watch and Ward grant. I will deal first with the Frontier Watch and Ward. There a recommendation was made for 48 lakhs and 55 thousand. In 1932-33, we retrenched 20 lakhs and in the following year we retrenched 22. There is a deficiency there of 25 lakhs which I will try to explain. The first reason is, we are six lakhs and 14 thousand short on works expenditure. There we have cut down all new works and we have reduced everything to the point at which we are merely carrying out the absolutely essential repairs. If these repairs are not carried out, eventually Government will be forced to spend a great deal more money than they are spending now and the result will be anything but economy. As regards the other big items, the Committee recommended that we should reduce the contribution which we at present make to Burma and Assam. Those contributions are made by Central revenues to the provinces and the House will understand that when contributions of that kind have been made for a great number of years, it is impossible without lengthy negotiations to get the other party to agree to surrender what they have had and it is

impossible for us merely to say to Burma "we will no longer pay you this large item of 15 lakhs which we have paid you for so long". There we have not so far been able to effect any reduction in the total contribution of 45.74 lakhs, but I understand the matter is still being considered in the Department of the Honourable the Home Member. In the case of Assam, there is a similar contribution of 16 lakhs which we have succeeded in reducing by 2.60 lakhs. The other large item which I would like to refer to particularly under the Political Grant is that which concerns consular representation abroad. As the Mover of the motion pointed out, India does at present pay a proportion of the expenditure incurred on consular representatives in Persia, the Persian Gulf, Afghanistan, Tibet and Nepal. There are no doubt arguments why India should not pay for a thing which Colonies and Dominions get for nothing. I do not deny there are such arguments, but I can maintain that it is quite impossible for the Government of India, having paid these contributions for so many years, suddenly to turn to His Majesty's Government and say: "From this year we will utterly decline to pay any more".

Sir Abdur Rahim: That is not our recommendation. The whole amount is not taken into consideration.

Mr. H. A. F. Metcalfe: But there are 16 lakhs included in the 121 which the Committee recommended. We cannot obviously straightaway say to His Majesty's Government: "We will no longer pay this amount". We must have time to consider the matter and to negotiate it and it may be necessary, as the Honourable the Mover of the motion has suggested, that a committee of inquiry should inquire into the whole thing and make recommendations as to future arrangements, but I submit that this Department cannot be blamed for having failed within the very short space of time since the Retrenchment Committee sought to effect this large reduction.

Sir Abdur Rahim: May I put a question to the Honourable Member? What is the total amount of reduction effected by this Department?

Mr. H. A. F. Metcalfe: I was just coming to that. I will give the figures very briefly as to what actually we have done. The Committee's recommendation was 121 lakhs retrenchment. The retrenchment, which we have already effected, amounts to 71 lakhs. Further schemes are still under consideration which will give us, I hope, a saving of at least a lakh and a half. We have, therefore, worked fully up to the figure which the Honourable the Mover said had been promised. I may add that none of these cuts take into account at all the cut in pay which, I am told, will amount to something in the neighbourhood of 20 lakhs. We have excluded entirely this cut in pay which is only a temporary affair.

There are one or two points which have been raised by the Honourable the Mover and other speakers to which I think I should perhaps reply. One particular point was taken regarding the Indian States Forces. Here, I should like to say, that the Indian States incur an annual expenditure of considerably over two crores on the upkeep of these forces. The General Purposes Sub-Committee recommended that the expenditure on the Military Adviser and his staff should be drastically reduced by two-thirds. That would have meant a reduction of four lakhs and 29 thousand. We have actually already effected a reduction of one lakh and 59 thousand under that head which, I think, is fairly

[Mr. H. A. F. Metcalfe.]

creditable in the circumstances. Apparently the House is not aware of the position in regard to the State Forces. They have always been offered, in times of Imperial difficulty, and they have, I think, 5 P.M. I may say always, rendered extremely valuable service to the Empire, and I do not think that the statements which have been made about them from some quarters are in any way justified.

I will now turn very briefly to the question of Indianisation. It may interest the House to know the position as regards the method of recruitment. The Political Department is at present recruited entirely by selection. That selection rests with H. E. the Viceroy, and it is restricted to the following sources: (1) the Indian Civil Service, (2) the Indian Army, and (3) the Provincial Civil Service in case of exceptional merit. Now, up till 1921, the Political Department had not, with very few exceptions, had any Indian recruits. An arrangement was then made by which 25 per cent. of our annual recruitment should be from Indians. That we have done our best to work up to, but I would like the House to realize the practical difficulties which beset us in always fulfilling the full amount of the Indian recruitment which we have undertaken to do. Let us take first the I. C. S. No Indian member or British member of the I. C. S. can be forced to come into the Political Department. It is entirely a matter of his own choice whether he chooses to apply and our experience has been that very few Indians belonging to the I. C. S. do apply. Of those that have applied, several have not been selected, one has died and one has withdrawn. We still have one on the list and I hope it may be possible to get more.

Turning now to the Indian Army, that of course refers only to officers holding the King's Commission. As the House heard during yesterday's debate, it is desirable for the Indian Army to be Indianised as rapidly as possible. Now, if we in the Political Department take away the Indian officers who hold the King's Commissions from the Indian Army, how is that Indianisation to be effected with the requisite speed. (Laughter.)

An Honourable Member: Quite right!

Mr. H. A. F. Metcalfe: That is only one point. There is another point. It is only natural that we wish to secure the best officers we can and it frequently happens that the officers commanding regiments are not willing to allow their best Indian officers to desert the military profession which they have selected and to go into civil employ. (Laughter.) Another difficulty is that the future of the Department is at the moment very uncertain. As was pointed out, the relations of the States are with the Crown by treaty, and the Crown has, therefore, a voice in the selection of its representatives. There may arise a situation in which the internal Department, that is to say, the Political Department as distinct from the Foreign Department, may have to be entirely separated in case some States do not federate or some States partially federate and if they stand upon their treaties. I hope no such thing will happen. But the future of the Department is really at present uncertain. The Honourable the Mover himself has today asked that in future we should be released from payment for all consular representation abroad. Well, a good many of our external posts are that very thing. Now, if His Majesty's Government take over the whole of that expenditure, will India be entitled to say, "You must have so many Indians in those consular posts"? I do

not think we could possibly do that. I do not say that that will happen, but it is an element of uncertainty which at the moment makes it very difficult for us to recruit a large number of Indians whose prospects in the Department will be anything but certain. Another point is that the N.-W. F. Province has recently been separated off and made into a separate Province. If that Province wishes to have a separate commission, it may be necessary for them to have one. That would take away from the Department a large number of posts which it at present has. If the N.-W. F. Province choose, as they probably will, to recruit a large number of Indians, that is their affair, but we find it difficult at the moment to recruit Indians when the possible sphere of their employment in the Department is being restricted in several directions.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member may now conclude.

Mr. H. A. F. Metcalfe: I must apologize to the House, Sir, for having taken up so much time and I would only ask them to remember, when voting on this Resolution, that although, as a Department, we are sometimes reticent, we are not so from any desire to deprive the House of information which it is right that they should have. Our reticence is due only to what we feel to be sometimes necessary in order to protect the feelings of some of our more sensitive neighbours. The only other point I would like to make is that if we are expensive, we do attempt to avoid in all matters being extravagant; and I hope that although we do control a large amount of money, the House will also realize that we do try and perform for them a number of useful functions. (Loud Applause.)

Mr. Gaya Prasad Singh: With your permission, Sir, may I ask for one piece of information as neither myself nor any member of my party got an opportunity to speak

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. It was made perfectly clear by the Chair that it was to meet the unanimous wish of all sections of the House that a particular course was decided to be followed. Honourable Members must have known that this debate must conclude by about five o'clock, and so I called the Foreign Secretary at about twenty minutes to five. Honourable Members will, therefore, realise that if they did not get a chance of taking part in the debate, it was no fault of the Chair.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, I merely rise to assure you that the Secretary of my Party was not casting any reflection on the Chair. I think he was merely mentioning the fact that since he had had no opportunity of speaking, he would like to ask for some information. But if any misapprehension was felt on account of his remarks, I humbly beg to tender my apologies.

Mr. Gaya Prasad Singh: My only point was that I would have asked this question in the course of my speech, but I got no opportunity of asking such a question. Sir, the question which I was asking was concerning this point. There is a Cypher Bureau which has been in existence in the Foreign and Political Department since about 1925. I asked a

[Mr. Gaya Prasad Singh.]

question in this connection on the 7th March, 1927, pointing out that there was not a single Indian in the Cypher Bureau. This question repeatedly came up before the Standing Finance Committee and we were assured by the representative of the Department that efforts would be made to employ Indians as soon as possible. Now, we were told the other day in the Committee that it would take at least seven years more to have any Indian appointed to the Cypher Bureau. I should like my Honourable friend to tell the House what is the position of Indianisation with regard to this Cypher Bureau, and when even one Indian will be appointed to this post, which is, after all, a clerical appointment.

Mr. H. A. F. Metcalfe: Sir, this question has been rather sprung upon me, but I will do my best to give very briefly the reasons so far as I know them for the point which my Honourable friend takes objection to. There are certain rules governing the use of cyphers—rules not made by the Government of India, but by His Majesty's Government—and those rules unfortunately for us do specify that certain classes of cyphers, by no means all, should not be placed in the hands of anybody (A Voice: "Indians?"). Well, of anybody except British European subjects. The rule is not made by us, but by the authorities at Home. (Laughter.) In order that we may have cypher communication with His Majesty's Government, it is necessary for us to hold some of their cyphers. That is the position. We have been for some years doing our best to remove this anomaly, and I hope that we shall shortly be able to do so.

Mr. Gaya Prasad Singh: So our chances in the Cypher Bureau are cypher? (Laughter.)

Sir Abdur Rahim: Sir, as regards that last point, is there any reason why could not the Foreign and Political Department have a cypher of its own? If they really do not want that Indians should be excluded from the Cypher Bureau, they could easily have a cypher of their own and get over the difficulty imposed by the British Government. And, of course, we are paying for all this.

Sir, as regards retrenchment, I was glad that the House has had a statement made by the Secretary of the Foreign and Political Department. I wish he had given the House this statement at an earlier stage.

Mr. H. A. F. Metcalfe: Sir, may I, on a point of information, state that I have here a very large collection of statements which were prepared some time ago and which we hoped to have been able to get printed up? I am quite prepared to lay these on the table, and the Honourable the Mover will obtain from them all the information which he desires.

Sir Abdur Rahim: I am very much obliged for this information.

Then, as regards the employment of Indians, I am afraid, my Honourable friend has really given no reply. He has not even given us the number of Indians that are employed in the Political Department proper. I said I could find only two Indians out of 176. I take it that that is correct. I do not think any explanation has been given why a better chance should not be given to Indians in this Department. As regards

judicial and other Departments, that does not signify much. But it is a very important Department and we lay a great deal of stress on the question of employment of Indians in this Department specially having regard to the future constitution of India.

Sir, I wanted to get from Government whatever information we could on this subject and it is not necessary that I should press this motion to a division. We have heard what the Foreign Secretary had to tell us, but it does not mean that we shall not deal with this question again when the Finance Bill comes up before us. I beg leave of the House to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 7,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Foreign and Political Department'."

The motion was adopted.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Tomorrow morning the House will take into consideration Demand No. 86 and the motion that stands in the name of Mr. N. N. Anklesaria.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 9th March, 1933.

LEGISLATIVE ASSEMBLY.

Thursday, 9th March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND No. 86—EXPENDITURE IN ENGLAND—SECRETARY OF STATE FOR INDIA.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now take into consideration Demand No. 86. The motion before the House is:

“That a sum not exceeding Rs. 22,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of ‘Expenditure in England—Secretary of State for India’.”

Safeguarding the Interests of Agriculturists and Landholders in the matter of Representation and Taxation in the New Constitution.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): Mr. Deputy President, I move:

“That the demand under the head ‘Expenditure in England—Secretary of State for India’ be reduced by Rs. 100.”

I propose to speak under this motion about safeguarding the interests of the large and small landowners of India in the matter of representation and taxation in the new Constitution. Sir, my object, I must state at the outset, in moving this cut is not to censure the policy of the Government of India in connection with the subject matter of my motion. My object is solely to bring to the attention of the powers that be certain matters which have been agitating the minds of the large and small landowners in India. The other day some large landowners of Oudh went in a deputation to His Excellency the Governor General and laid their grievances and complaints in connection with the present matter before His Excellency. His Excellency sympathised with what the landowners stated, but expressed his inability to promise anything in the matter to satisfy the landowners on the ground that the whole subject was being considered by the British Cabinet and nothing lay in the power of the Government of India to do in the matter. The question on which I propose to speak today has been agitating the minds of the landowners

[Mr. N. N. Anklesaria.]

of India on account of the various circumstances ever since the deliberations of the Round Table Conference began. Rightly or wrongly, the landowners have come to feel that their interests have been neglected at the Round Table Conference. Rightly or wrongly, the landowners of India have come to believe that their interests are being ignored by the Government of India and, Sir, again, rightly or wrongly, the landowners of India have come to believe that the Government of India are unduly considerate to the commercial classes even though the latter, in pursuit of political power, have been lending their support, both moral and material, to the civil disobedience and other subversive and anti-Government movements. Another circumstance has brought this question prominently before the minds of the landowners and that is the Bolshevik doctrines of confiscation of private property recently propounded by the representative of the Congress as well as the prevalent socialistic doctrine of nationalization of land which has taken possession of the minds of both the politicians and sections of the public in the Continent of Europe.

An Honourable Member: What about India?

Mr. N. M. Joshi (Nominated Non-Official): In India land belongs to the State.

Mr. N. N. Anklesaria: I am just coming to that. It is a truism of politics in democratic times like the present that the interests which are most vocal, the interests which are most organized, the interests which are represented in the Legislature by the ablest men receive quite a disproportionate consideration both in this House and by Government and the truth of what I say, Sir, could be easily seen from the number of times my Honourable friend, Mr. Mody, came to this House with what my Honourable friend, Mr. Gaya Prasad Singh, called the other day, "the beggar's bowl" and returned with it full to overflowing. Sir, these are some of the circumstances which have brought this question of safeguarding the interests of the landowning classes in India to the forefront at the present time and the fears and apprehensions of the landed classes have led them to claim that their interests shall be sufficiently safeguarded in the new Constitution and appropriate declaration shall be made by way of fundamental rights in the new scheme of things. Personally I do not believe in fundamental rights. If you look to history, you will find that many nations have provided in their constitutions for fundamental rights one day and have openly violated those fundamental rights the next day. The recent history of Germany furnishes a striking instance in point. As regards safeguarding the interests of the landowners and providing safeguards in the new Constitution, I also again say that I hate that word "safeguard" in the present connection. Safeguard is a word which connotes an attitude of mind in our constitution-builders which bodes ill for the constitution they are building. It negatives that large outlook, that virile state of mind and that confidence in the goodness of human nature, that have marked the proceedings of the fathers of the most famous constitutions of the world. It connotes an attitude of mutual distrust and suspicion on which no constitution could possibly rest for any length of time. However, the Round Tablers, both European and Indian, have set the fashion and you cannot blame the landowners following suit.

An Honourable Member: Rise above it.

Mr. N. N. Anklesaria: When the new Constitution must contain safeguards for the Europeans, for the Muhammadans, for the Depressed Classes, for the I. C. S. men, for labour and for my Honourable friend, Lieut.-Colonel Sir Henry Gidney's community, I do not see why the same "boon" should not be vouchsafed to the landed interests of India, more especially as they stand more in need of having safeguards in connection with their interests and stake in the country, than the classes which I have enumerated. If my Honourable friend, the Finance Member, wants to impose a super-tax of 100 per cent. on my Honourable friend, Sir Cowasji Jehangir, Sir Cowasji Jehangir is free to send away his capital outside British India, into Indian States or to Hong Kong, as one Bombay millionaire has already done. But what can the poor landed proprietor do? If you tax his agricultural income 100 per cent., he has got to give up the land or to non-co-operate with the Government as my friends in Guzerat have done

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): To their cost!

Mr. N. N. Anklesaria: Yes, to their cost. These are some of the reasons why I sympathise with the demands of the landowning classes for safeguards and a declaration of their proprietary rights in the list of fundamental rights which it is said is being provided for in the new Constitution. Up till now I have confined myself to the question so far as it affects the large landowners. Now I propose to speak of the interests of the small landowner, the agriculturist, who tills his own land and is owner of a small holding. As far as the question of the representation of the small land holder is concerned, it may be said, and it has been said in fact that in the new Constitution, on account of the wide franchise, he is almost over-represented. How far that allegation is true, it is not for me to say. But, however high the position of the small landowner may be as regards representation in the new Constitution, that will be of no avail to him absolutely unless and until the principles of the land revenue policy of the Government of India, which are of paramount concern to the landowner, are radically changed. At present the landowner is taxed not by the consent and sanction of the Legislature, but arbitrarily by an irresponsible executive. If my Honourable friend, the Finance Member, wants to increase the income-tax, he has got to come before the House every year and he has got to get the House to side with him, unless of course he depends on the extraordinary powers of the Governor General which sometimes he has to do. So far as the land revenue taxation is concerned, the Provincial Legislatures,—since land revenue is a provincial subject,—have got no control as regards the assessment, enhancement or alteration of the impost

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): It has got full control.

Mr. N. N. Anklesaria: No. (Interruption.) I do not give way. I am just coming to the point. This constitutional anomaly was noticed by the Joint Parliamentary Committee and they have advocated that the whole of the land revenue policy in India should be put on a statutory basis instead of being left to executive orders and action. I propose to read a

[Mr. N. N. Anklesaria.]

quotation from the Joint Select Committee's Report. This is what they say:

"The Committee are impressed by the objection raised by many witnesses against cases in which certain classes of taxation can be laid on the people of India by executive action without in some cases any statutory limitation of rates and in other cases any adequate prescription by statutes of methods of assessment. They consider that the imposition of new burdens should gradually be brought more within the purview of the legislature and in particular, without expressing any judgment on the question whether land revenue is a rent or tax, they advise that the process of revising the land revenue assessments ought to be brought under close regulation by statute as soon as possible. The Committee are of opinion that the time has come to embody in the law the main principles on which the land revenue is determined, the methods of valuation, the pitch of assessment, gradation of enhancement and the chief processes which touch the well being of the rate-payers."

Now, Sir, that has been the recommendation most definitely and most unequivocally made by the Joint Parliamentary Committee, and I regret to say that the Government of India have done very little to implement that recommendation in any Act or Statute.

As my time is up, I shall take only two minutes now. To the irresponsible and arbitrary imposition must be added the high rate of assessment. In some places, if I were to believe what my friend, Mr. Das, said the other day, land revenue has gone up to 100 per cent. How far that is true, I am not in a position to say, but one thing is certain that in many provinces the land revenue goes up to as much as 50 per cent.

Mr. B. V. Jadhav: That is not true.

Mr. N. N. Anklesaria: I can cite authority. I say 50 per cent., and I think I am moderate. This is a very high and burdensome tax compared to the land revenue exacted from land owners in other countries. For relevant information I will cite the Taxation Committee's Report, page 37.

Thirdly, Sir, the imposition is not only irresponsible and heavy, but the methods of collecting land revenue are oppressive to a degree which rarely is to be found in other countries. Sir, I could dilate on the point, because I have got personal experience of the matter, but my time is up, and, therefore, I will only say this, that the small land owner is the backbone of the country and he is the surest bulwark of democratic institutions as history has shown. I say, therefore, it is the duty of all responsible legislators to protect and save him from doctrines of confiscation and expropriation, for thereby, Sir, not only you save him, but you save this country.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Expenditure in England—Secretary of State for India' be reduced by Rs. 100."

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): Sir, this is perhaps the only motion which deals with questions relating to the welfare of landlords in India, and, as I am here as the elected representative of the landholders of Bengal, I have great pleasure in supporting for the first time the motion moved by my friend, Mr. Anklesaria. I am grateful to my Honourable friend for moving this cut, and I wholeheartedly endorse all

the observations he made on this matter when he spoke about the landowners. I am afraid, Sir, that the interests of the landowning classes of this country are going to be ignored not only by the people of the country, but by the Government as well.

Now, we have to consider two aspects of this question: one is, are we prepared to do away with these land owning classes, and secondly, do you want the land owning classes to exist in the country? If you do not want the land owning classes to exist in the country, then I would rather welcome Bolshevism instead of having any other substitute. If we do not want Bolshevism to take its root in this country where 75 per cent. of the population are agriculturists, then, I think, the land owning classes ought to remain. It might be that Bolshevism might find a fertile soil industrially in advanced countries, but in a country like India every one of us should help the land owning classes to exist. In this connection I may point out that the late Mr. C. R. Das in his inaugural address at the Nagpur Congress himself admitted that the land owning classes should exist in India, and, I am sure, every one of us present here will admit that it is a perfectly democratic view, and every Member of this august Assembly will admit that the land owning classes ought to exist in India, not to squander away money on luxuries but to spend every pice they can get for the benefit of the country

Mr. B. V. Jadhav: Pious wish.

Mr. D. K. Lahiri Chaudhury: My friend says pious wish, but in that connection I may tell my friend that so far as Bengal is concerned, most of the public institutions are due to the benefactions of landlords and zemindars. When I say landlords, I do not mean to refer only to big zemindars, but I include in this class the tenure holders, who are said to be the middle classes of India, and they form the backbone of Indian nationalism. If you want to support the interests of the landlords who are really the backbone of the Indian national spirit, then you are bound to support the land owning classes in India

Mr. N. M. Joshi: Oh!

Mr. D. K. Lahiri Chaudhury: I include my friend, Mr. Joshi, also in the landlord class.

Mr. N. M. Joshi: I am not a landlord. I have not got any land.

An Honourable Member: That is your misfortune.

Mr. D. K. Lahiri Chaudhury: Though you say you have no land, still I think you share the view that you do not want Bolshevism in this country.

Mr. N. M. Joshi: It all depends.

Mr. D. K. Lahiri Chaudhury: It all depends on what?

Mr. N. M. Joshi: On how the landlords behave.

Mr. D. K. Lahiri Chaudhury: That is perfectly right. Sir, standing here as I do and with the responsibility attaching to my position as the elected representatives of landholders, I can bear testimony to the fact that the land owning classes are always working for the amelioration and improvement of the agriculturists of this country

Mr. B. V. Jadhav: What are the wages in Bengal?

Mr. D. K. Lahiri Chaudhury: They are absolutely nominal. That is my grievance. Now, with regard to the question of safeguarding the interests of the landlords in the future Constitution, deputation after deputation waited upon His Excellency Lord Irwin, and he assured us that adequate representation would be afforded to the landowning classes at the Round Table Conference, but I did not understand then that by "adequate representation" he meant no representation at all. Practically speaking, so far as Bengal is concerned, only Sir Provash Chandra Mitter was sent to the Round Table Conference, not as a representative of the landlords, but on behalf of the Government

Mr. N. M. Joshi: Is he not a landlord?

Mr. D. K. Lahiri Chaudhury: Yes.

Mr. N. M. Joshi: Is not Sir Tej Bahadur Sapru a landlord?

Mr. D. K. Lahiri Chaudhury: He might be a landlord. There are so many graduates in this House, but that does not mean that they will represent all the graduates in the country. Now, there are representatives of the Universities in the Provincial Legislatures. That does not mean that all the graduates should give place to only one graduate to fight their cause.

When His Excellency gave the assurance that adequate representation would be secured for the landlords, what do we find? We find that Sir Provash Chandra Mitter was sent to the Round Table Conference from Bengal. I do not cast any aspersion on the efficiency with which he performed his task, but I must say that he was much more busy with other affairs than those of the landlords themselves, because he went there not as a landlords' representative, but as a representative of the Government. (*An Honourable Member:* "No.") Yes, I challenge any Honourable Member to prove that it is not so.

Mr. Gaya Prasad Singh (*Muzaffarpur cum Champaran: Non-Muhammadan*): What about the Maharajadhiraj of Durbhanga?

Mr. D. K. Lahiri Chaudhury: Of course, he is one of the biggest landlords in India, but he represented a Bihar Non-Muhammadan constituency.

Mr. Gaya Prasad Singh: Is he not the President of the All-India Landholders' Association?

Mr. D. K. Lahiri Chaudhury: He may be the President of the All-India Landholders' Association, he may be the President of many a landholders' organisation; but that does not mean that he went to the Round Table Conference as a representative of the landholders. That is my grievance. When Lord Irwin gave an assurance on the floor of this House that landholders would be adequately represented, there ought to be some definite landholders' representation.

Mr. Gaya Prasad Singh: The Rajah of Parlakimedi also was there.

Mr. D. K. Lahiri Chaudhury: He was also there. He represented the Hindu community.

An Honourable Member: There was Mr. Ghuznavi.

Mr. D. K. Lahiri Chaudhury: There is a feeling in Bengal that permanent settlement should be uprooted. There is a great danger about it, and we landlords are in a precarious condition in Bengal. It must be realised that it is very difficult for us to meet even the land revenue of the Government, and still we are strictly treated under the sunset law. If they fail, the whole property may be auctioned even for one rupee. I say that if the interests of the landlords are protected, it will not be harmful to the people in general, or to the capitalists and the Government in particular, because it is the landlords who keep the equilibrium of this country. It is the landlords who can command the faith of the people, it is the landlords who are helping the national aspirations of the people and national enterprise. (*Hear, hear.*) I remember one particular instance where the late lamented C. R. Das fought strongly against the cry: "Down with the landlords." I am sure that his very strong and patriotic follower, Mr. S. C. Mitra, will also bear with me that the landowning classes should exist in this country

Mr. S. C. Mitra (*Chittagong and Rajshahi Divisions: Non-Muhammadan Rural*): Yes.

Mr. D. K. Lahiri Chaudhury: and that they are the only buffer between order and anarchy. There is a movement in Bengal to amend the Cess Act. Of course, it is a provincial subject and I do not want to deal with it in detail and become irrelevant, but I only wish to point out that the proposal is that assessment should be not on the income which is derived from the land, but on the area which the tenants occupy. That is a great blow at permanent settlement. When I find that there is safeguard for every community, the Anglo-Indian community, the European community, the Indian Christian community, and every other community, why should the representation of landlords only be mixed up with the communal representation? When the Franchise Committee discussed this question, they amalgamated the whole thing together. They did not differentiate between Muslim landlords and Hindu landlords. It is the only constituency which comes from the joint electorate. Sir, I represent not only the Hindu landlords, but also the Muhammadan landlords. (*Hear, hear.*) I can say without fear that I have never betrayed the interests of either Hindus or the Muhammadans. And when the landlords are taken as one community, why should not the representation be separate? When Anglo-Indians and Europeans can get weightage and separate representation of their own, why should not the landowning classes? Let me illustrate it. Take the Communal Award regarding Bengal. There is a very meagre representation of the landlords in the provincial Legislature, and I do not know that there will be any representation for them in the Central Legislature. But I must say that if this thing is to be continued and if the sympathy of the landlords is diverted to other directions, Bolshevism will come into the land and there will be a grave revolution which will bring about the collapse of the Government. The representation of the landlords will help the Government and will stimulate national aspirations and foster democratic government in India, instead of leading to Bolshevism and revolution. Much nervousness is being felt by the landlords in Bengal about the permanent settlement. Last winter a deputation of landlords waited on His Excellency the Viceroy and the Viceroy replied sympathetically. But his treatment

[Mr. D. K. Lahiri Chaudhury.]

was rather curious. He said that so long as land revenue was a reserved subject, there was danger. But every landlord knows that in the future Constitution land revenue is not going to be a reserved subject, but a transferred one, and, if so, we can easily realise what will be our position in the future Constitution unless there is a sufficient safeguard in it, and that safeguard by statute. If other interests can be safeguarded and the Minority Pact can play such an important part in the future Constitution, I do not see why our position also should not be safeguarded. I appeal to the Government most sincerely that if they want to avoid revolution, if they want to avoid Bolshevism in this country, they must back the landlords, they must safeguard their interests. We do not want any favour. We only want that our legitimate interests should be safeguarded in the future Constitution, and Government should show their practical sympathy by supporting this motion.

Kunwar Raghubir Singh (Agra Division: Non-Muhammadian Rural): I extend my whole-hearted support to the motion moved by my Honourable friend, Mr. Anklesaria. Congratulations are also due to him, because he, being an industrialist and lawyer, has taken interest in the matter of landlords and agriculturists and brought forward this motion.

Sir, this demand deals with expenditure in England. Everybody knows that our public men are against this expenditure. This deals with the expenses of the Secretary of State and his Council. Sir Tej Bahadur Sapru has said that the Secretary of State and his Council are "the graveyard of all good causes". So it is necessary for us to curtail this expenditure, if we cannot be successful in fully throwing it out. Government are very keen on safeguards for minorities and foreign capitalists, but not so in the case of the agriculturists.

An Honourable Member: Foreign capitalists have safeguarded their position.

Kunwar Raghubir Singh: They have safeguarded. Representation of agriculture was insufficient in the Round Table Conference in spite of the fact that they are the greatest loyal community and they give immense help to Government in all causes of the public good. Government are credited with many good things and I think there is one thing which they are specially credited with. I do not think it is a good thing, and that is they are good in the art of losing friends. They forget their friends as soon as the emergency passes away. Several examples can be quoted, but I do not want to take long in this connection. The Simon Commission recommended a tax on agricultural income, but they recommended no increase in the number of representation of landlords. Government accepted the latter and so the landlords' plight will be unenviable in the coming reforms. Their influence cannot remain the same in the future constitution as it is just at present. As regards taxation proposals, landlords, or, for the matter of that, other agriculturists, are never consulted. When there are subscriptions required, landlords are the first to be invited. They are received very civilly and all that, but when the future constitution is considered and taxation proposals are mooted, they are left out. The prosperity of everybody depends upon agriculture, whether he be an industrialist or a labourer, Government or the governed, rich or poor, but it is not considered as such. The Government assume the title of *mā bāp* instead of the agriculturist who really is the giver of bread. In former times, as we see from the Mughal history and the Hindu

history, there was no tax on agriculture except land revenue or the produce of the soil which is called the *batayi* system, but now agriculturists are being ground down by all sorts of taxes, taxes on income, taxes on circumstances and property, cess and other taxes levied by local bodies. I am thankful to the Centre Party for focussing their attention on this matter which is a very important one and for this they deserve the backing of the House. In the end I will appeal to the Government to increase the seats for landlords in the new Constitution and no proposals for taxation should be brought forward without their consultation.

There was a cry at the time of the French Revolution that there should be no taxation without representation. In the same way, I will appeal to the Government to take both these points into consideration and decide it in favour of the agriculturist which is very necessary. The present condition of the agriculturists is very lamentable. As we saw last time, when we discussed at Simla, the Resolution in connection with an inquiry into agricultural distress, there was very little support in this House. On the other hand, the Congress openly declared that they did not want landlordism in India. It is Jawahar Lal Nehru, the politician of my province, who said it, not Mr. Gandhi. So, Sir, if the Government were also to give a cold shoulder to the agriculturists, their prosperity, even what little remains of it now, will go away. Government should always think of the agriculturist first and everything else afterwards. (Applause.)

Mr. B. V. Jadhav: I do not know whether I should thank the Mover of this cut for the pains he has taken in bringing this discussion in the House. The question of the landlord and tenant is a very complex one in India, because landlordism differs from province to province and sometimes from division to division in each province. In the Presidency of Bombay this question is not so very acute, because the *ryotwari* system is prevalent there and the number of landholders is very limited. There are a few jagirdars or inamdars who own villages and as such they are landlords. Their number is very small and, therefore, the evils or the benefits, as some may call it, of landlordism are not the lot of the people of Bombay.

An Honourable Member: The wording in the motion is landholder.

Mr. B. V. Jadhav: Whatever that may be, whether landholder or zamindar, the representatives of the zamindars or land owning classes have here claimed more representation. I do not pay any attention to that question here, because the giving of the representation, that is the giving of more seats, is a question not within the purview of this House. The question here is how agriculture will be prosperous for the welfare of the country. Who is the real agriculturist? Is it the person who owns the land or the person who cultivates it? Are their interests common, or are their interests conflicting? Those who are against landlordism have come to realise that the interests of landlord and tenant are in conflict. In former times, the interests of capital and labour were in conflict and the capitalists claimed that they should be able to exploit the poverty of the labourers, that the contracts between the owner of the factory and the labourer ought to be maintained by Government as sacred, and so on. At present in India the landlords also claim the same thing. They say that they give land to the tenants on certain terms and, therefore, the terms of the contract should be

[Mr. B. V. Jadhav.]

observed and when the tenant is not in a position to observe those terms, the civil power, the Government, ought to help the landlord to get his dues. I may point out that Government ought to hold an even balance. They have to see that both ought to be profited. The man who toils from early morning till late at night in the field ought to get sufficient wages for his labour, and when the conditions imposed by the landlord are very ruinous and do not leave enough to the actual cultivator, even to keep body and soul together, then it is the duty of the Government to see that his grievances are redressed. At present the grievances of the tenants are that the profits from agriculture are not sufficient. In my part of the country, Sir, where there is the *ryotwari* system, the claim made is that the Government assessment is too high. But, at the same time, when the landlord intervenes and claims much more, sometimes twice or three or four times the land revenue claimed by Government, his conscience is satisfied. He says that his tenant ought to pay twice or thrice or four times the land revenue to him as rent, but, if, on the other hand, the Government raises the land revenue by about 25 per cent., then there is a hue and cry raised that the tax has been enormously increased and that the poor landholder is ruined. Sir, the class that is ruined is the cultivator class who toil on the land and raise the crops, and, therefore, it is the duty of Government to see that he is properly remunerated, that is, he gets a minimum wage. I have no grudge against the landlord, but I must claim, in the name of the agricultural cultivator, that he ought to get sufficient for his labour, and unless this condition is satisfied, there will be discontent. Sir, the conflict henceforward is sure to be between capital and labour in India and also between the landlord and the tenant and the cases of both stand on the same footing. The claim of the labourer as well as of the cultivator to a proper remuneration for his labour is quite reasonable. Government have been warned that, if the landlords are not properly protected, and if their claims are not supported by the Government, then the nation may turn Bolshevist and there might be a revolution. I have to say the same thing, Sir, but in other words. I say that there has been an awakening in these times. People have been made conscious of their rights and privileges. The tenants, the cultivators, the labourers and all those who were up till now looked down upon as the underdogs have now awakened; they have got their natural leaders who are pouring into their ears the tale of their grievances and of their rights and privileges and, on that account, Sir, there is a good deal of discontent. If the Government are callous and do not take into consideration the grievances of the poor ryots and if they blindly support the exactions of the landlords and the capitalists (Hear, hear), I say that they are making room for Bolshevism and for revolution. Up till now they have tried to hold the balance even, and if they will continue to look after the interests of the greatest majority, then there will be contentment and steady advance on constitutional lines and the evils of a revolution on Bolshevist lines need not be apprehended, but if Government, cowed down by the threats of the landlord classes or by the threats of the capitalists, side with them, then I shall say that they will be held responsible for the consequences. Sir, the times are moving, and if discontent increases—and the discontent of millions is the worst of all and is not to be trifled with—then Government will have to take the blame and along with the Government the responsibility will rest on my friends, the land owning classes,

and I say their difficulties too will increase. They are now asking for their pound of flesh and are very unwilling to do justice to their labourers, on whose labours they have been fattening and living in luxury and, I say, they will have to mend their ways. (Hear, hear.)

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Sir, the subject is so vast and the time at my disposal so short that I must confine myself to only a few aspects of the question, which could be spoken on for hours together. I cannot congratulate my Honourable friend, Mr. Jadhav, upon the speech that he delivered. Generally, Sir, he is very clear-headed and he knows exactly the position he takes up. But today I am not at all sure whether in consequence of a cold or otherwise he himself has got into a confusion between one thing and another. He has mixed up the question of landlord and tenant together and delivered himself of an oration which, if I may respectfully say so, was quite irrelevant. (Laughter.) The question is the safeguarding of the interests of the landowners and of the agriculturists. Now, he said that in his part of the country there are no landholders in the sense of Zamindars or Jagirdars. They are all *ryotwari* tenure holders and I believe I know a little of them, because I am myself one. Now, the trouble that he has tried to picture of the *ryotwari* holder is a thing which it has not been possible for me to understand. What is it that happens? He is the landholder, he is the landowner and *ryotwari* holder and as the *pattadar* he is directly responsible to Government for paying the revenue, and the contract is between him and the Government. Therefore I cannot understand where the trouble comes when the revenue is raised,—i.e., the revenue that the landlord on the one hand raises and that the Government raise on the other; and I cannot understand how between these two there is going to be sprung upon us Bolshevism simply because the so-called leaders, as we have been told, of the agriculturists and the labourers pour into their ears what their rights are. The landholder is in direct relations with Government; he holds land which he is entitled to cultivate and he has got, as a consequence of holding the land, to pay revenue to Government. I can quite understand his grievances against the Government, which I too have got, because the periodical assessments are being raised. What I have not been able to understand is where the landholder comes in in *ryotwari* tracts.

The two points that I would respectfully invite the attention of this House to in connection with this cut are these. So far as land assessment is concerned, we have times out of number brought to the notice of this House that the recommendation of the Joint Parliamentary Committee has not been given effect to. It is now nearly 14 years, I believe, since that recommendation was made. I believe in some provinces legislation was initiated and I believe the Government of India did sanction legislation in one or two provinces, but Madras, of all provinces in India, could never get her legislation.

Mr. B. V. Jadhav: And Madras is, therefore, the richest province.

Raja Bahadur G. Krishnamachariar: Madras is the richest province? I wish my friend would exchange with us the riches that they have in Bombay. Sir, our pockets do not bulge out with the proceeds of the Bombay trade returns. Today what is the state of things in the Madras Presidency, which consists mostly of poor agriculturists for whom my friend was overflowing in tears? My friend apprehends the poor agriculturist is

[Raja Bahadur G. Krishnamachariar.]

going to be more Bolshevie than my friend, Mr. Lahiri Chaudhury, is going to be, because of their respective grievances. Sir, in the Madras Presidency there are 58 lakhs of *pattadars*. 12 lakhs out of them pay one rupee and less to Government. Sir, that is the sort of *ryot* that we can boast of as rich. 34 lakhs of *pattadars* pay between one rupee and Rs. 30 to Government. Now, that comes to 4,60,000 people. It is they that make up the population and I make a present of their riches to my friend, Mr. Jadhav. Now, if you pay Government Rs. 30, according to the lowest calculation made by Lord Curzon, your highest income is Rs. 60. Rs. 30 go to the hands of Government, Rs. 30 go to the pockets of the cultivators. But his troubles do not end there. There is the local Cess Act. The local cess used to be nine pies in the rupee, it came to be 12 pies in the rupee, then it came up to 15 pies in the rupee and, lastly, it is now 18 pies in the rupee, I believe.

Mr. B. V. Jadhav: In Bombay it is 24 pies.

Raja Bahadur G. Krishnamachariar: I am glad that Bombay is no better than Madras. Only we are told that Madras is rich, which is the pot calling the kettle black. But we are all in the same boat. You see the trouble is that, out of these 58 lakhs of *pattadars*, there are only three lakhs and odd who pay more than Rs. 30 and it is upon the former chiefly that we say that the assessment presses very heavily. Now, the peculiarity of the position is this. The Joint Parliamentary Committee said that the principles of land revenue assessment, the pitch of assessment and the process of assessment should all be embodied in legislation. Sir, ever since I had the honour to serve in this House, I and my friend, Diwan Bahadur Rangachariar, put this question half a dozen times whether it is not a fact that the Joint Committee did recommend among other things that the pitch of assessment should be fixed by the Legislature. They said, yes. To the question as to what Government did to give effect to that no answer was given. I am glad I am not in the Government Benches to nicely turn these interpellations, the power to make which we have been given, into answers like "(a) yes, (b) No, (c) Does not arise, (d) No information", and so on. That is the sort of reply that I got, but what about my stomach which is hungry all the time? Answers like that never satisfy me. I wanted a specific answer to my question as to why they did not follow the procedure laid down by the Joint Committee of the House of Commons and leave the people to fight. That is what the Madras people wanted to do, and look at what the Madras Government did,—and even that would not be sanctioned by the Government of India. What the Madras Government did was,—and there are some very clever Civilians there, I assure you,—they drafted a Bill and some of my people also joined them in helping the drafting of that Bill, and what is it that they did? Out of these heads that I read just now, they took hold of the process of enhancement, or reassessment, that is to say, the procedure. There is a certain procedure, rules for the re-assessment of lands which have already been once settled and they took hold of those rules. Rules 1, 2, 3 were made into sections 1, 2, 3, and then the usual paraphernalia of the Preamble, etc. It is this that the Madras Government did. Even the Madras Government at first stood out against the right to give the people the power to determine the pitch

of assessment. Even that little thing was not quite pleasing to the Government of India. That is my grievance here. I know land revenue is a provincial subject and there is no use going into details. Therefore the question that I now put here is, why do not the Government of India allow the Madras Government to go ahead with their legislation and thereby fulfil the promise that the Joint Parliamentary Committee gave us?

The next thing is safeguarding the rights of landholders. There is a clause in that report of the Joint Committee which I do not know if the House paid any attention to. The thing is whether the revenue that we pay to Government is tax or rent. That, Sir, is rather a moot question and Government always fight shy of it. They did not do so in the olden days. In the Secretary of State's office there was a man of the name of Sir Lewis Mallett and he had studied this question in a way that, I respectfully submit, no one else has done, and he has proved to the hilt that land revenue in India was not rent, but a tax. If you look into old history, my friend, Mr. Jayaswal from Patna, has proved conclusively by reference to old records of all the rulers both Hindu and Muhammadan, that land revenue is a tax and that the land belongs to the *ryot*. It does not belong to Government; and the one test upon which you can come to that conclusion is that when Government want that land, they pay compensation, whereas, if the land was theirs, they were entitled to take it just as they pleased. That point they would not determine, and recently there is a movement,—I suppose that is the first step towards the Bolshevism that my friends, Mr. Jadhav and Mr. Lahiri Chaudhury, foresaw and prophesied,—that the proprietary right in the land should go from these landholders. Now, Sir, there is a verse in Manu's *Dharma Shashtra*,—a *Shashtra* with which my Honourable friend, Mr. Jadhav, has, or at least some members of his community have some little quarrel,—which says that in laying down the duties of the king, the king should take particular care of the population under his charge, and he divides that population into four classes. The first is the beggarly class, the next is the dependant class, the third is the parasite class,—and among parasites he includes officials, I am sorry to say,—and there remains 25 per cent. which is composed of the real producers. Therefore, Manu's *Dharma Shashtra* says, leave the 75 per cent. alone; even go out of your way to protect the 25 per cent. who comprise the real bulwork of your State. Now, Sir, I make a present of that to the Government of India; and, instead of citing instances of the Muhammadan Government, where they say, the pitch of assessment was very high and their own rules are very moderate they had better follow this example. The only thing of which I would remind them, when they say that they have only been following the footsteps of the Muhammadan Government, is that no Muhammadan Government was ever able to realise the full assessment which they fixed, whereas it is realised here to the pie, scientifically fixed and more scientifically realised. Sir, in the future Constitution, the reason why we want more representation is that there is an attempt made, on the one hand, to deprive the landlord of his proprietary right upon various excuses and, on the other hand, to impose what they call a tax on agricultural income. And there is my friend, Mr. Mody, who says: "We pay so much and agricultural income does not pay anything at all. Go on, tax that. You want money and there is agricultural income." That man does not speak anything at all; he is one of the dumb millions. And howsoever the shoe may pinch him, he lives there in the villages, and we do not hear that cry here, and therefore tax him.

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): We don't want to tax the lean agriculturist; we want to tax the fat zamindar.

Raja Bahadur G. Krishnamachariar: I am glad to hear it. If you look to the position of the zamindars, you will find that it is worse than that of the agriculturists. That is what I do not understand, people speaking here theoretically of zamindars and agriculturists.

Mr. B. V. Jadhav: He rolls in a Rolls-Royce.

Raja Bahadur G. Krishnamachariar: I am glad of that reference to Rolls-Royce. I did not get my Rolls-Royce as an agriculturist; I could not get it in three generations even if I saved all that. This is trying to make a distinction between the landholders and the agriculturists and the setting of one community against another by persons who do not understand their relations, by persons who never own any lands in the mufassil, by persons who never cultivated land, and by persons who do not live on the land. That, Sir, is what I object to. Without the man behind the plough no zamindar can raise a single pie. No zamindar ever ploughs the field; he has got to keep up the agriculturists. I perfectly admit that at least 60 per cent. of the land-owners do not pay proper wages to the labourers and it is a shame that they do not do it. But, Sir, the position is this. You begin to cultivate with a certain amount of expectation. The produce is only 20 or 30 per cent. of the expectation. So there is a wrangle at the time of harvest between the man who owns the field and the man who cultivates, who are not both of the same class and each tries to take as much of the produce as the other. Sometimes, before the owner comes into the field, ears of corn are taken away by the cultivating ryots at dead of night.

Mr. F. E. James (Madras: European): What has all that got to do with the new Constitution?

Raja Bahadur G. Krishnamachariar: I was only talking of a remark that was made. It has nothing to do with the Constitution. Things are being said which must be replied to, Sir, only to show why we want these safeguards. Therefore, I submit that in the new Constitution, I hope we will be given some chance by which we will be able to protect ourselves when our rights are attacked.

Rai Bahadur Lala Brij Kishore (Lucknow Division: Non-Muhammadan Rural): Sir, I take the opportunity to impress the necessity of an adequate and proper representation of the landholders in the future Legislature. Sir, it is a fact that the landholders have always supported the stability of the Administration and have given their full support in the maintenance of law and order. In recognition of their meritorious services, they have been granted *Taluqs* and *Jagirs*, they have supported the Government in times of greatest need and it is the class on whom the Government have relied in the past and will rely in future. The history of the Great War proclaims the sacrifices of the landlords for the Sovereign, and other battles fought in the very soil of India for the establishment of the British suzerainty over this land in which the landlords lent their ungrudging helping hand are ample proofs of their loyalty and devotion

towards the Government. In brief the landholders as a class constitute the bedrock on which the British Government in India stand.

Sir, besides this relation with the Government, the landholders occupy the most important position in the country. They are, so to say, the custodians of the landed property of the State and act as intermediary between the rulers and the peasant masses. They enlighten the ignorant and illiterate masses who are mentally ill-equipped to grapple with the realities of the blessings of the Government rules and the laws of the land. Without their influence and assistance, it would practically be impossible for a small number of the Executive heads to control the masses scattered in the rural areas and to run smoothly the machinery of the Government.

Sir, the importance of the landholders in society is no doubt great. Their princely donations towards the education, sanitation and relief funds of the country and other philanthropic deeds are sufficient proof to show their importance in the society. Sir, it is not the bounden duty of the Government to give the greatest consideration for the proper and adequate representation of the landholders in the Local and Central Legislatures in the coming Constitutional Reforms for the preservation of the rights and privileges of the holders of the landed property and such representation should be a special factor in any Constitution, and, for this, a statutory safeguard is a thing just and necessary for the well-being of the country. Sir, both in the Minto-Morley scheme of 1908 and Montagu-Chelmsford Reforms of 1918, due attention was paid by the Government for the special representation of the land-owning class in the country's Legislature. "The Landholders", if I may be excused from quoting in the words of a great British Administrator, "are the backbone of the population of the rural areas where the real Indian nation lives". Sir, I can say without reservation that no Constitution can give lasting peace and prosperity to the country in which the voice of the landlords is ignored.

Sir, considering the merits of the landlords, their position and importance in the society, they ought to be given an increased number of seats, if not more, in proportion to increased number of members in the Central as well as Provincial Legislatures in the coming Constitutional Reforms.

Sir, before I conclude, I take the opportunity to express my surprise on this overlook which perhaps may be due on account of their loyalty as the Great Poet Tulsi Das says:

*Bikr Chandārmā gar sen nā rāho,
Terh jān shankā sab kā ho.*

or, Sir, it may mean that the Almighty God might have thought of some blessings to the Zamindars on this overlook according to the poem which runs as thus:

*Shāyed khizān men ho ayān sūrat bahār ki,
Kūchh maslehat tsi men ho Parwārdīgār ki.*

Sir, I also beg to invite the attention of the Government to the great economic depression which has overtaken the country due to the fall of the prices of the agricultural products and the hopelessly low purchasing power of the agricultural masses. The purchasing power of the agriculturist is the real barometer which measures the rise and fall of the trade and industry of the country.

[Lala Brij Kishore.]

Sir, I shall be failing in my duty if I do not say anything about the agriculturists who are the backbone of the zamindars and the country. I have said something above concerning them; I shall repeat the same thing here. Never in the history of India, Sir, was the agricultural population so distressed, nor had it suffered so much as it has been suffering since the last few years and they are quite incapable of paying their rents to their landlords. There is no doubt that the Government have done a great deal to relieve them by giving them substantial remissions, but, in order to give them permanent relief, I would suggest that the importation of food grains from abroad should, as far possible, be stopped so as to give an impetus to the rise of selling prices of the agricultural products which have hopelessly gone down to the level of production. They are quite ignorant of the modern methods of agriculture, and, as a result, they are quite unable to improve their quality and quantity. Sir, besides this, better facilities in marketing, irrigation, manure, implements should be provided for them, and in order to save them from the clutches of the money-lenders, a large number of agricultural and mortgage banks on the lines of Co-operative Credit Societies should also be established, so that they may advance money to them at easy rates of interests to enable them to meet their liabilities for payment of land rents and water rents. Thus they shall become prosperous and, as a result, the financial condition of both the landholders and the Government will be better. With these words, Sir, I support the cut motion moved by my Honourable friend, Mr. Anklesaria.

Diwan Bahadur A. Ramaswami Mudaliar: Mr. Deputy President, venture to intervene in this debate because I find from the many speeches that have been made by the advocates of the landholders, or the permanently settled estate holders as I would prefer to call them, that the point of view of that class has not really been brought to the notice of the House. There have been complaints that irrelevant speeches have been made, but I am not quite sure, with all my respect to my Honourable friend, Raja Bahadur Krishnamachariar, whether it was not really a case of the pot calling the kettle black, when the whole of his speech was diverted to an explanation of the position of the agricultural classes and the inequities of the Government of India in not passing legislation about land revenue assessment

Raja Bahadur G. Krishnamachariar: That is part of the cut.

Diwan Bahadur A. Ramaswami Mudaliar: Sir, I understand this motion to mean that certain interests have to be protected in a particular manner in the coming constitution

Raja Bahadur G. Krishnamachariar: In the matter of taxation.

Diwan Bahadur A. Ramaswami Mudaliar: In the matter of representation and taxation. Let me take these two issues separately. First as to representation. According to the proposals which were made by the Indian Franchise Committee and which have been adopted by the Round Table Conference—I am not here to justify any of them, but merely to explain them—the scheme of representation of special interests was this: as far as possible, whatever the size of the new Councils, Provincial or Central, the existing representation of these interests should continue on

the same basis; whether it was landholders or commercial interests or other classes, those interests should have the same amount of representation, not proportionately, but merely that the number should be the same as they have at present. You will find that at the time

Raja Bahadur G. Krishnamachariar: They have no representation now.

Diwan Bahadur A. Ramaswami Mudaliar: Landholders are of course represented in every Provincial Legislature and they are represented from certain specific provinces in the Central Legislature. In the Simon Commission Report you would have seen that the Members of that Commission made out a strong case against the representation of landholders as such. They reviewed the position of the landholders in various Provincial Legislatures and in the Central Legislature; they pointed out that apart from the special electorates which landholders had, they were able to secure a large number of seats from the general electorate and they said that in view of this over-representation it was absolutely unnecessary to give any kind of representation to the landholders as such. The position was reviewed before the Round Table Conference and a very strong case was made by those protagonists of the landholding classes who were represented at the Round Table Conference. My friend, Sir Provash Chandra Mitter, was himself one of these protagonists, the Nawab of Chattari was another and specific representatives of the landholders classes, the Maharaja of Darbhanga and my friend the Raja of Farlakimedi also made out a strong case for them. These representations were later considered by the Franchise Committee and opinion was very keenly divided on the Franchise Committee on this issue. There were, on the one hand, my friends, Mr. Chintamani and Mr. Tambe, who once acted as the Governor of the Central Provinces for some time, and Mr. Bakhle who represented labour—who said that under no circumstances should there be any representation for special interests as such, and particularly for the landholding interests. On the other hand, a group of gentlemen representing the Muslim community—my friends, Sir Muhammad Yakub, Sir Zulfiqar Ali Khan, and my very acute friend from Bengal, Khan Bahadur Azizul Haque—protested against the representation of landholders on the ground that such representation would, to a certain extent, complicate the communal issue: that, the greater the representation to the landholders, the more difficult would be the settlement of the communal issue. After these statements were made and these objections raised, the majority of the Franchise Committee thought it fair and just that landholders should have the same amount of representation as at present, that they should not be the only class singled out for being absolutely ignored in the coming constitution and that it would give them a sense of just grievance if they were so ignored, and therefore they suggested as a matter of compromise that they should have at least that representation numerically which they were entitled to under the present constitution. The matter does not stand there. The Government of His Majesty in England reviewed the whole position with reference to the Communal Award. The unfortunate fact that communities were not in a position to settle by mutual agreement the quota of representation which should be given to various communities in this country led to the imposition of an Award by the Government, and in making that Award they had necessarily to take into consideration the representation that they would give to the various special interests, because that has a direct bearing on the extent of representation which they will have to give to the various communities. So that at the present moment

[Diwan Bahadur A. Ramaswami Mudaliar.]

the position is that the representation of landholders, of commercial interests, of Europeans, of Anglo-Indians and others are all involved in the Communal Award which has been announced by the Government of India. You cannot upset the representation there, you cannot increase the representation given to one interest without upsetting the whole structure of the Communal Award which has been made by His Majesty's Government. I venture to put forward one warning to all my countrymen of all communities. Whatever may happen in the future, whatever negotiations may take place at the Joint Select Committee, there are two fundamentals, two bed-rock positions which it would be most dangerous and disastrous in any way to upset. The first is the basis of federation with Indian States on which the whole structure of central responsibility has so far been built by the work of three continuous years; and the second is the Communal Award which, once unbalanced, once upset, except it be by mutual agreement, will break up the whole structure and will make it impossible for any constitutional progress of any kind to be made within the first few months. Now, I leave aside

Bhai Parma Nand (Ambala Division: Non-Muhammadan): Was the Communal Award part of the constitution during these three years of the Round Table Conference?

Diwan Bahadur A. Ramaswami Mudaliar: I leave aside the question of representation of the landholders at that stage, merely mentioning the facts as they stand. I now come to the two specific grievances or points of view which the landholders put before the Round Table Conference and raised in various discussions at the Round Table Conference. Now, let me perfectly frankly state that when we are talking of landholders, we are talking of those who are holders of permanently settled estates or zamindars as they are called. Let not my friend, Mr. Anklesaria, merely for the sake of getting some support from some stray inadvertent quarter, mix up with that question the question of the agriculturists. The agriculturists and their position has nothing to do with the issue on this question. They have been sufficiently safeguarded by the low franchise which has been assured to them, and it is through their representatives in the Council that they must safeguard their future interests. The other two issues that have been brought forward by the landholders are these: first of all they said that in the coming Constitution, with wide franchise and with representatives elected on a popular basis, the influence of the landholders is bound to be very small, and it may be that a popular House may so run riot with the idea of democracy that they will divest the vested interests of the zamindars and landholders. The guarantee, therefore, that they required was that in the provinces where questions relating to land revenue and zamindars would be concerned, there should be a bicameral system of legislature: that is to say, in every province there should be two Houses, a lower House on a popular franchise and an upper House on a higher and more influential franchise. That question was considered also at the Round Table Conference and the suggestion was made that, as far as possible, provinces should be given the right to choose whether they should have a single Chamber or a double Chamber system. Many provinces have made their choice already. I understand that the province of Bihar and Orissa has voted through its legislature for a second Chamber. My recollection is that the United Provinces has also voted

for a second Chamber. I express no opinion on the subject. I venture to say that my own province has turned down the idea of a second Chamber and I am perfectly satisfied with that position. Therefore the landholders have got what they want so far as their second grievance is concerned—a second Chamber where they can induce, under the present constitution and with their present influence and strength in the Legislature, such Legislatures to vote for a second Chamber. They could not ask for more.

Now, there is a third point which was put forward by the landholders which related to what my friend, Mr. Anklesaria, has been pleased to call fundamental rights. They put it forward really as a fundamental right. They said "Permanent settlement has been assured to us by various Governors General and by various governments from the days of Lord Cornwallis: it has been assured to us as an inalienable condition of our *Sanads*. Even as you say in your treatment of the Princes that you must respect treaty rights which you entered into with them, so must you have the same consideration for these *Sanads* and grants which you have granted to us and which stand in the same position as treaties with the Princes." My friend, Mr. Anklesaria, tried to throw some ridicule on the idea of fundamental rights. It has been my privilege to study this question of fundamental rights with reference to the various constitutions; and you would have noticed, Sir, with your wide knowledge of constitutional precedents, that this question came into very great prominence, especially in post-war constitutions. I know that some people have tried to throw doubts on the advisability of embodying a set of fundamental rights in the constitution. I am one of those who believe that it has a purpose to fulfil and that it is essential that there should be a set of fundamental rights incorporated in the constitution. Sir John Simon, the Foreign Secretary, made a dramatic entrance at the last Session of the Round Table Conference when this question was under discussion, and with the acumen which is usually associated with that lawyer and master-advocate, tried to throw doubts on the advisability of embodying fundamental rights in the constitution. He said, "either they are of a justiciable nature or they are not of a justiciable nature. Where they are of a justiciable nature and an infraction of that right could be adjudicated upon in a Supreme Court or in any other court of law, you will find in actual practice that those rights are of a very limited character and are very few indeed. Where they are not of a justiciable nature, it is merely hoodwinking the public to say that these fundamental rights should be incorporated". That is true to an extent, but only to a very limited extent. Now, Sir, the basis on which constitutionalists from the days of Preusse in Germany down to the days of the great President of the Czechoslovakian Republic, President Masaryk, you will find why these constitutionalists and these great statesmen have incorporated fundamental rights is this. The enunciation of fundamental rights in the constitution means the enunciation of a new philosophy for the State. It is from that point of view more than from the point of view of justiciable or non-justiciable rights that the importance of this question of the fundamental rights should be determined. That new philosophy will always be present before the Legislatures of the country and before the Governments of the day, and a Government ignoring or over-riding that fundamental right will constantly have presented to its mind the violation of that it makes to the essential philosophy of the State, a philosophy of justice to all, of rights to all natural citizens, and a philosophy, therefore, that is bound to be respected.

Raja Bahadur G. Krishnamachariar: What is the sanction behind those rights?

Diwan Bahadur A. Ramaswami Mudaliar: My friend is a believer in Varnashrama Dharma. He has quoted only this morning the Code of Manu. I ask him what is the sanction behind those customs,—I say it with all respect,—which he so carefully follows. What sanction is there

Raja Bahadur G. Krishnamachariar: If the sanction is the same which lies behind the Code of Manu, then I am quite satisfied.

Diwan Bahadur A. Ramaswami Mudaliar: Now, Sir, coming back to the zamindars, the fundamental right that they wanted to be incorporated was that the permanent settlement should not be varied by any Legislature, and that it should be one of those inalienable right of the zamindars incorporated in the Constitution as a fundamental right. If it is incorporated, I do not think it will stand in the same position as a non-justiciable right and a Legislature, which tries to override that, would, to that extent, be passing laws which are *ultra vires* of its powers. That is a question on which the zamindars could still concentrate. I am neither a critic of the landholders nor am I one of those who advocate their rights, but I have tried to show that with reference to the first two of their claims they have gone as far as they can, and it is this particular right which it is still open to them to press for inclusion in the new Constitution. I do not suggest that I am, and I do not hold myself out as one, who will advocate or support them, but it will be their duty to press this claim forward on the proper occasion.

Now, I should like to say only one thing with reference to my friends, the zamindars. I think, Sir, they are not doing justice to themselves. I think they are not doing justice to the position that they hold to the community and the society, to the great and powerful influence which they wield, and they can still continue to wield, and the resources which they can command. If only they were not so much attentive to safeguards and if they were a little more attentive to their own position in the community, if they only realised a little more clearly their great influence for good, if they should move in the direction of doing good, then I venture to think that zamindars will occupy for a long time to come in this country a dominant position in the body politic and in the public life of the country. I should only like in my own humble way to make the same appeal which His Excellency the Viceroy made to their deputation the other day, that in the coming Constitution their best safeguard will be not even the incorporation of fundamental rights, but the spirit in which they work that Constitution, the extent to which they throw themselves in the public life of the country, and the manner in which they continue to influence and to convince public opinion regarding the utility of themselves and their order. (Applause.)

Mr. G. S. Bajpai (Secretary, Department of Education, Health and Lands): Sir, my excuse for intervening in this debate is to explain a point of fact which has been raised by the Honourable the Mover of this cut, and also to express an opinion as an *ex-revenue officer*. The point

of fact is, that the Joint Select Committee of Parliament, which considered the Government of India Bill of 1919 made certain recommendations as regards legislation on the subject of land revenue. My Honourable friend seemed to be under the impression that no action has been taken on that recommendation

Mr. N. N. Anklesaria: I said 'little'.

Mr. G. S. Bajpai: Well, Sir, even if my friend used the word 'little' I would say it was not quite accurate. The position is, that as soon as it became evident that land revenue administration would be a reserved provincial subject, and, further, it became evident that the main source of revenue to the provinces would be land revenue, the Government of India came to the very natural conclusion that it must be left to the reformed Provincial Councils to determine what the principles and the lines of their legislation should be. In 1920 they addressed Local Governments on these lines, and the history of the last ten years is a varied history of efforts made in the different Provincial Councils to give effect to the recommendations of the Joint Parliamentary Committee. Now, Sir, there are three provinces where that recommendation has been given effect to,—the United Provinces, the Punjab and the Central Provinces. In Madras, in Bombay and in Assam which are the only other provinces excluding Burma that we need take into account

An Honourable Member: Bengal?

Mr. G. S. Bajpai: Bengal and Bihar and Orissa are for the major part permanently settled,—in those three provinces the effort has not succeeded and it has not succeeded because the Government and the Provincial Legislatures concerned could not come to an agreed solution. I submit, Sir, that in the circumstances no blame can be laid at the door of the Government of India for failure to give effect to the recommendations of the Joint Select Committee of Parliament

Raja Bahadur G. Krishnamachariar: May I interrupt my friend for a minute. Is it or is it not a fact that the Government of India declined to allow the Local Governments to fix the pitch of assessments.

Mr. G. S. Bajpai: On the contrary, if my friend will turn to the three Provincial Acts which have been passed since the Report of the Joint Select Committee, he will find that the pitch of assessment has been fixed, that is to say, the maximum pitch of assessment is 25 per cent. of the net assets in the Punjab, 40 per cent. of the net assets in the United Provinces, and 50 per cent. of the net assets in certain circumstances in the Central Provinces.

Raja Bahadur G. Krishnamachariar: What about Madras?

Mr. G. S. Bajpai: With regard to Madras, I need not detain the House with a very elaborate exposition of the history of attempted legislation in that province. I have before me a summary, and I will read out from that summary the relevant portion as regards Madras: "One of the provisions in the draft Bill which the Select Committee appointed" by the Government of Madras submitted",—one of the provisions of the draft Bill, Sir, required Government to submit its settlement and re-settlement

[Mr. G. S. Bajpai.]

proposals to the Legislative Council which, the Committee proposed, should be empowered to reject, adopt or modify the proposals in such manner as it might think fit,—and now I come to the objectionable part,—“and made it obligatory on Government to accept the recommendations of the Council”. This last proposal was clearly inconsistent with the provisions of the Government of India Act regarding the Governor's powers of reservation and veto. That was the reason why that Bill could not be proceeded with. Subsequently, when a Bill was put forward by the Government of Madras before their Legislative Council, it was thrown out, because the opponents claimed that either a permanent settlement should be made or that the Council should have the right to consider and finally revise the proposals for settlement and re-settlement which would be submitted to its vote in the form of taxation Bills. That, Sir, is the position as regards Madras. I repeat that the fault, if fault it be, of any Government in this country for not proceeding with legislation is not one which can be legitimately fastened upon the Government of India.

Then, Sir, my Honourable friend from the United Provinces, I think it is from Oudh, Lala Brij Kishore who spoke last said that the position of the agriculturist was very precarious and that it needed attention. He was good enough to indicate generally that the Government of the United Provinces had been considerate to the agriculturists and I presume by that he really meant the landlords. I have a statement here before me from which I shall quote certain figures as they happen to be of interest. In 1931-32 the Government of the United Provinces remitted a sum of Rs. 114 lakhs out of a total demand of Rs. 688 lakhs, and in 1932-33 a sum of Rs. 125 or 126 lakhs, that is to say, 20 per cent. of the total revenue demand. So that it cannot be said that where the pressure of circumstances has necessitated a policy of liberal remissions that policy has not been followed. I need not pursue that point further, because he was the only one of the speakers so far who has referred to the question of the relief of agricultural distress.

I shall now come to the second point, the point of opinion which I said I would place before the House. My Honourable friend, Diwan Bahadur Ramaswami Mudaliar, with that sense of statesmanship which characterises him, laid great stress, and I think rightly, upon the right use by the landed aristocracy of the influence which they have in this country. I submit that that is the right suggestion for the representatives of the landowning community to consider. Mr. Jadhav seemed to be of the opinion that there is a conflict between the interests of the landlord and the interests of the tenant.

An Honourable Member: It is a fact.

Mr. G. S. Bajpai: Sir, I have the privilege of having been brought up in a school of revenue officers of which Sir Harcourt Butler was the most distinguished head and exponent in modern times, and the view he put forward.....(Interruption by Mr. K. Ahmed.) My Honourable friend, Mr. Kabeer-ud-Din Ahmed, is evidently not sufficiently familiar with English colloquialism to appreciate that a school does not necessarily represent a building where pupils write on slates. (Laughter.) I was urging that there is no inherent or fundamental conflict of interest between the landlord and the tenant. On the contrary, it is but natural

that there should be harmony between the landlord and the tenant, and, in so far and so long as the landlord identifies himself with the interests of the tenant, in so far and so long as he thinks that the welfare of the tenant, be it by security of tenure, be it by lightness of demand or be it by assistance to him in moments when he is suffering from economic depression or some other difficulties is his welfare—in so far, Sir, as the landlord puts himself in the patriarchal position in which he came to occupy the position of eminence that he did in the past, so far and so long will he continue to be the natural leader of the agricultural community in this country. (Hear, hear.) And I submit that considering that it is admitted on all sides that 75 per cent. of the population of this country is agricultural and it is further clear from the recommendations of the Franchise Committee that the bulk of the new electorate of the country would be agriculturists,—I say that the future of the landlords lies not in any written word,—not in the letter that killeth—in any constitution, but in the spirit in which they identify themselves with the interests of the great bulk of the peasantry and utilise the position that they have inherited, their race, their birth, their traditional influence, to advance the interests of that peasantry and treat those interests as their own. (Loud Applause.)

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): But most of them have sold their properties to Marwaris and money-lenders.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): I have listened with very great interest to the speech which my Honourable friend, Mr. Bajpai, has delivered today in the House, because it is a long time in my remembrance since I heard him speak so eloquently and take up the cause of the landlords and cultivators. It is a matter of sincere pleasure to us when we see a Member of the Government rise in his seat and take up the cause of the landlords and tenants, the most neglected in this House at least. Mr. Mody turns his face towards me and I am glad that he has done so at the very right moment. In this House we have been discussing on several occasions the interests not only of the landlords and other people, but of the capitalists and labour, and so it is that my Honourable friend woke up in his seat wondering why I should again be speaking anything on this subject.

The interests of the landlords and the tenants are no doubt correlative. One is to be backed up by the other and, if the landlord does not care for the tenant, there is none else to care for the poor tenant. The remark which His Excellency Lord Willingdon made, when the deputation of the Taluqdars waited on him, that the landlords should organise themselves and that the landlords and tenants should join together and organise themselves, was a right remark. My Honourable friend, Mr. Bajpai, has just said that the whole thing lies in the hands of the landlords themselves and I quite agree with him. But, Sir, the position today is when there are Round Table Conferences, when there are Joint Parliamentary Committees, when there are such important occasions, we do not find the interests of the landlords so much to the front, or of the tenants so well represented—whom these landlords represent. If it is said that these landlords are the real representatives of the tenants, then Government should realise that they should have greater representation in these higher bodies and in the constitution-making. I come from the province of Oudh, and there was absolutely no representative in the Round Table Conference from my own province, a province which pays a very large amount of

[Mr. Muhammad Azhar Ali.]

land revenue to the Government. The position which my Honourable friend, the Diwan Bahadur, has taken today is the proper position, and I find that he has given some very kind advice to both the landlords and the tenants. The landlords have absolutely no objection to go on the lines which have been laid down by the Government or by the Diwan Bahadur. But, as the motion of Mr. Anklesaria deals with "safeguarding the interests of the agriculturists and landholders in the matter of representation and taxation in the new constitution", my point is that no other interest has been taxed so much as the landlords and tenants who represent 75 per cent. of the population of this country, and I contend that all other interests, whether they be trade, or any other interest, ought to be taxed to the same extent as the landlords and tenants have been taxed. I support him.

The Honourable Sir Brojendra Mitter (Leader of the House): The motion of my Honourable friend, Mr. Anklesaria, refers to the new Constitution. He made it perfectly clear at the outset of his remarks that his motion was not intended to be a censure on the Government but rather of recommendation of what the Government of India should do to protect the particular interests, mentioned in the motion, in the new Constitution. The House will realise that none of us can anticipate what the new Constitution will be. In a few days' time we shall all have the recommendations of His Majesty's Government in the White Paper in our hands. We shall then know what His Majesty's Government is proposing. In so far as the protection of landed interests—I am using the phrase "landed interests" to include the interest of the agriculturists as well as of the landholders—under the new Constitution is concerned, I shall explain the position of the Government. We realise that in the new Constitution matters like personal liberty, matters like proprietary rights ought to be fully protected, and, without disclosing any secret, I may tell the House that we have recommended to His Majesty's Government that provision should be made in the new Constitution for the protection, amongst other things, of personal liberty and proprietary rights. (Applause.) Sir, under the category of proprietary rights fall the interests of the agriculturist and landowner as such. Beyond that the Government of India are not in a position to go at the moment. It has been complained that landed interests were inadequately represented at the Round Table Conference. My Honourable friend, Diwan Bahadur Ramaswami Mudaliar, has answered that question. I have before me the report of the Third Round Table Conference and going through the list of British Indian representatives I find no less than half a dozen members who represent landed interests. When I say 'who represent landed interests', I want to make one point perfectly clear. Indian representatives did not go there to represent any particular interest. Every Indian representative who was sent there was there to protect Indian interests and to co-ordinate different Indian interests in such a way as to secure a popular constitution for India. For instance, when my friend, Diwan Bahadur Ramaswami Mudaliar, went there, what interest was he representing? He was not representing landed interests, or commercial interests as such or any particular or sectional interest but he was representing Indian interests and he was there to see that India got a good constitution by harmonising all the various interests, by protecting the interests which needed protection and by expanding the scope of the transfer of power from bureaucracy to

democracy. Sir, going through the list of delegates I find my friend, Mr. Ghuznavi, was there. We all know that he is a landowner. If landed interests came under discussion there was Mr. Ghuznavi to take care of that. Then I find there was Sir Cowasji Jehangir, the Raja of Khallikote, Sir A. P. Patro and Sir N. N. Sircar. All these are landowners and they would be trusted to protect landed interests. Among British Indian representatives, therefore, there were people who were interested and competent to protect landed interests.

Then, we come to the recommendation of the Lothian Committee. They recommended that certain special interests should have representation in the Provincial Councils and landed interest was one of the special interests. The Round Table Conference also came to the same conclusion and as a result, we find that in the communal decision given by the Prime Minister, Madras has been given six, Bombay two, Sind two, Bengal five, United Provinces six, Punjab five, Bihar and Orissa five, Central Provinces and Berar three, and North-West Frontier Province two seats. In the Provincial Councils 36 seats have thus been reserved for landed interests. Here by landed interests I mean the big landed interests. When you compare this representation with the representation of other special interests like industry or commerce or labour or any other special interests, you will find that this figure is by no means inadequate. Then, Sir, with regard to people who are interested in land, not in the way of big landlords, but as agriculturists. Diwan Bahadur Ramaswami Mudaliar has pointed out that the mere widening of the franchise gives them an opportunity of sending representatives to the councils. What is the recommendation of the Lothian Committee? Something like 27 per cent. of the adult population will be enfranchised. Surely, one can expect that, in a country where 80 per cent. of the population live on land, this 27 per cent. will include people who will have landed interests in their care. Sir, I shall now deal with the next point.

It has been suggested that special protection is needed in view of the entry of Bolshevist ideas into this country. Sir, if proprietary rights are adequately secured, as the Government of India have recommended, then that menace is met to a large extent. No one who is interested in land, and lives on land is likely to favour Bolshevist ideas. That being so, once we get security of proprietary rights, once we get adequate representation of landed interests in the councils, then that menace need not alarm this House very much.

The next point which was raised was that there should be a statutory basis with regard to revenue matters and these should not be left to executive action. I do not wish to take up the time of the House by dealing with that question because my friend, Mr. Bajpai, has fully dealt with it. I only want to remind the House that revenue matters are peculiarly and essentially provincial, in which the Government of India, beyond suggesting broad lines of principle, cannot directly interfere. I need not dilate further on that point. The action which the Government of India took with regard to the recommendations of the Joint Parliamentary Committee has been explained by Mr. Bajpai. Sir, in the future constitution revenue matters will in all probability go completely outside the scope of the Government of India's activities. Revenue will be, as it now is, a provincial subject, and, if there be no reserved subjects in the provinces, then, it will be within the competence of the legislature to regulate not only incidence of taxation but the method of collection and

[Sir Brojendra Mitter.]

everything else connected with revenue. Thus, in the new Constitution, as it has so far been envisaged, if there be provincial autonomy, there is no fear of executive action taking the place of legislative enactments in dealing with revenue. Sir, I do not want to be drawn into the interesting discussion whether land revenue is rent or tax. That is a topic in which I have always been interested, and on an appropriate occasion I should be glad to discuss it, but this is not the occasion. Nor do I intend to be drawn into the question of landlord *versus* tenant, which was so eloquently discussed by the Honourable Mr. Jadhav, because that, I submit, is, strictly speaking, outside the scope of the motion. Sir, I think I have dealt with all the points. I can assure my Honourable friend, Mr. Anklesaria, that the views expressed today in the debate will be communicated to His Majesty's Government. The Government of India are alive to the necessity of protecting proprietary rights. The Government of India are alive to the necessity of arresting the spread of Bolshevist ideas in the country. (Laughter.) (Hear, hear.) What will come out in the new Constitution is not for me to say. But, as I have already said, the proposals of His Majesty's Government will be known to Honourable Members in a few days' time.

Mr. N. N. Anklesaria: Sir, I am glad to know that the Government have taken my motion in the spirit in which it was intended to be taken by them; and I thank the Honourable the Leader of the House for his sympathetic speech which, I am sure, will satisfy every interest concerned. I, therefore, Sir, beg leave to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 22,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Expenditure in England—Secretary of State for India'."

The motion was adopted.

The Assembly then adjourned for Lunch till Twenty Minutes Past Two of the Clock.

The Assembly re-assembled after Lunch at Twenty Minutes Past Two of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

DEMAND NO. 40—DEPARTMENT OF INDUSTRIES AND LABOUR.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now take up the consideration of Demand No. 40. The motion before the House is:

"That a sum not exceeding Rs. 4,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Department of Industries and Labour'."

Labour Legislation and Labour Welfare including Government Employees.

Mr. N. M. Joshi: Sir, I move:

"That the demand under the head 'Department of Industries and Labour' be reduced by Rs. 100."

Although my motion deals with a cut of Rs. 100 from the demand asked for by the Department of Industries and Labour, my object in making this motion is to censure the whole Government of India. Sir, the Department of Industries and Labour deals with a certain kind of labour, but unfortunately that department fails to exercise supervision and control over certain other kinds of labour, namely, the Government employees.

In dealing with this subject, I shall first deal with the Government employees and choose only a few of their complaints. The first complaint with which I shall deal is the complaint that the Government of India have not given effect to their proposal to establish a provident fund for the benefit of Government employees. As long ago as 1924 the question of establishing a provident fund for Government employees was mooted by means of a Resolution moved in the Council of State. The Government of India promised to consider that subject and, in the year 1929, they issued a circular putting forward tentative schemes. Unfortunately nothing has so far been done in that connection.

The Government employees prefer a provident fund to a pension scheme and they were all anxiously waiting for the establishment of that scheme, but nothing has been done so far although about eight years have elapsed. Sir, I hope the Government of India will move a little quicker in this respect. But, Sir, whatever Government may do as regards the provident fund, they will agree with me that it is necessary to do something for those Government employees who die in harness. Government provide that those people who retire, after some years of service, shall get a pension; but as regards those people who after serving Government for 25 years or even more die suddenly before retirement, their children and other dependants get nothing. It is, therefore, necessary that the Government of India should establish some scheme by which the dependants of their servants who die in harness will get some substantial amount. I propose, Sir, that the Government of India should establish a scheme of gratuity. Government should give one month's pay for every year of service. The Government of India give gratuity even to those people who nowadays retire voluntarily, and they give 15 days' salary for every year of service; and I do not know why they should not give gratuity to the dependants of those people who die while working in Government service.

Then, Sir, I shall turn to another point, namely, the grievances of the inferior servants of the Government of India. Their main grievance is that they are treated very meanly in the matter of rules regarding their pension and their leave. As regards pension, the inferior servants get a pension which does not exceed Rs. six, whatever may be their salary. I do not know why this difference should be made as regards pension between what is called the superior servants and inferior servants. I have stated several times in this House that it is the inferior servants who are unable to make provision for their old age, and, if any class of Government employees deserves better treatment in this matter it is the inferior servants. Instead of that, the Government of India give a larger pension to the superior service people and do not give a sufficient pension to the inferior servants. I hope, Sir, this injustice will be removed. They have the same complaint as regards leave. The inferior servants do not get any

[Mr. N. M. Joshi.]

leave unless they give a substitute. That is, they do not get leave with pay. I again do not know why this difference should be made. This question of the inferior servants has been raised here for several years, and nothing has been done. It is true the Finance Member may say that the times are bad. But I feel, Sir, that for doing justice to these inferior servants, who are very poor indeed, there are no times which are bad. Let Government find money somehow. If they can find money for restoring the cut of the superior services who get Rs. 1,000 and more, they should certainly find money for giving pension to their inferior servants. In the matter of these pensions the Government of Bombay have set a better model. They have already changed their pension rules and, according to their rules, even inferior servants get pensions on the scale on which the superior servants get pension.

Sir, I shall now refer to the third complaint of the Government employees, and that complaint is that all these Government employees have recently formed a federation of their various associations, and they applied to the Government of India for recognition of this federation. I learn, Sir, that the Government of India have refused to recognise this federation on the ground that the federation includes various classes of Government servants. I can understand, Sir, that the Government of India should make a rule that, when their employees form an association, they should form one association of one trade or one class of employees. But, if there is to be a federation, it can certainly never be a federation of one class. A federation is bound to be a federation of various classes of Government employees. There is a distinct need for a federation of associations of Government servants, because there are many conditions of service which are common. You take their grievances as regards provident fund or gratuity. That grievance is common to all Government servants and why should they not, therefore, form a federation of their associations and press their representation by means of this federation? I, therefore, hope that the Government of India will reconsider their decision and recognise this federation.

Mr. Deputy President, after having dealt with the general complaints of the Government employees I shall now deal with the complaints of a particular class of Government employees. The class of Government employees with which I shall deal is the employees of the Postal Department. The complaint, with which I am dealing with, is the complaint of the sorters in the foreign mail division. These sorters belonging to the foreign mail division have to travel for their duty from Bombay to various places. After they had their duty for a certain number of hours, they get down and they are asked to stay at one place for more than one week and this the Government do in order to save railway fares from the place where they got down, namely, their headquarters. Formerly, the Government of India used to allow them to come to their headquarters, Government bearing the railway charges. Government now ask these people to stay in one place for more than seven days doing nothing, and away from their families. I hope that the Government of India will look into this complaint and remedy it. Moreover, Sir, I do not think the Government of India as a whole save money. It is the Postal Department which saves the money, but if these people travel from Jubbulpore to Bombay, the railways will get the money. So, on the whole, the money will be with the Government of India and the Railways will get a few more passengers.

But, Sir, unfortunately the Government of India divide themselves into watertight compartments and they think that by saving the railway fare they are making a saving, but actually the case is that the Railways are losing their money.

There is another grievance of the postal employees with which I shall now deal and that grievance is this. A telegraph office is open from 10 o'clock to 5 o'clock generally. If a man comes to the Telegraph Office and offers a telegram after that hour, he is charged some late fee. This late fee is given to the telegraphist who does work after his regular working hour. The Government of India charge full late fee to the public, but while paying their own employee there is a cut of ten per cent. It is rather mean to charge the public the whole late fee and to pay the telegraphist the late fee less ten per cent. They do a similar thing even to the telegraph boys or peons who carry the telegraph messages. Here also they charge the public a certain amount of money for the telegrams to be delivered at some distance, but they make a cut of ten per cent. when making the payment to their own servants. I should like to go further. A sorter has sometimes to do extra work on account of another sorter going on leave. If a sorter does some extra work, he is paid extra out of the salary of the sorter who remains absent on casual leave. The Government of India charge the sorter who is absent the full amount and make a cut of ten per cent. while paying the other sorter who does his work. Is it a fair thing for the Government of India to charge one employee a certain amount of money and make a profit in the shape of the cut of ten per cent.? I hope the Government of India will look into these grievances and will not be open to the charge of meanness hereafter.

There is another small grievance with which I want to deal and that grievance is about the Inspectors of the Railway Mail Service. These Inspectors, on account of retrenchment, have to work more than double the work of what they used to do formerly. They used to work about 24 hours in a van, but now they have to work at a stretch of 50 hours. This is due to retrenchment, but I should like to say that even for retrenchment this sort of thing should not be allowed.

Then, I wish to speak about the postmen. Some years ago, the Government of India created a class of clerks, called lower division clerks, and threw the grade open for the postmen. As a matter of fact, that grade was created for the benefit of the postmen. The postmen also could get higher appointments belonging to their own grade. Now, what the Government of India did was that the posts belonging to the higher grades of postmen as well as to these lower division clerks which originally were meant for the promotion of postmen were also allowed to be filled by new entrants with the result that the postmen did not get sufficient posts and, therefore, sufficient promotion. I hope, Sir, that the Government of India will look into the grievances of the postmen and see that the postmen get sufficient posts for their promotion. When they started this new grade, it was started for the benefit of the postmen. It is true that the Government of India have added to the number of posts in the lower division clerks, but what the postmen claim is that they should at least get all the posts which were to be created for their benefit as well as the posts belonging to their higher grade. Then, Sir, these postmen also have another grievance about the examination. They are asked to pass a certain examination. I am not against Government expecting their postmen to prove that they should have a qualification for the higher posts, but, at the same

[Mr. N. M. Joshi.]

time, the Government of India must take into consideration the cases of those postmen who have served 25 years or even 30 years. If you expect them to pass examination as a young man does, it is difficult for them to do. They can do the work, but, if they are asked to take down dictation from some difficult book, they cannot do it. I, therefore, suggest to the Government of India that they should mitigate the rigour of the examination and should throw open a number of posts without examination.

Then, Sir, I wish to deal with another small grievance of what are called the lower grade postal employees. These lower grade postal employees are treated as inferior servants, and, therefore, they have the common grievances of the inferior servants. But they have a special grievance. These lower grade people do some kind of work in the Post Offices. They are not postmen. They are generally promoted to the grade of postmen. Formerly they used to get about 50 per cent. of the appointments in the postmen's grade by promotion. Unfortunately the Government of India have started an examination for people who belong to the lower grade before they get to the postmen grade. Here, again, it is quite necessary that our postmen should be able to read and do their work properly. I am not suggesting that a man, who is not qualified, should be appointed, but at the same time when people have served in one grade for several years, if you expect them to pass a difficult examination, not only in reading, but even in writing, then certainly you are creating a difficulty for the promotion of these poor people. I hope that the Government of India will look into the grievances of these people also.

Then, Mr. Deputy President, with your indulgence, I wish to deal with the grievances of other kinds of labour, and I shall mainly deal with some of the recommendations of the Royal Commission on Labour to which the Government of India have not yet given effect. The first recommendation which I shall deal with is the recommendation as regards the hours of work in factories. Sir, I recognise that we are passing through a time of depression. But, if you consider what the whole world is doing, you will realise that it is at such a time this much-needed reform of the reduction of hours should be undertaken. Only recently a Conference was held in Geneva under the auspices of the International Labour Office, and the Conference has adopted a Convention for forty hours a week ...

The Honourable Sir Frank Noyce (Member for Industries and Labour): That is not so. If I may explain to the Honourable Member, the Conference was purely a preparatory Conference and it has not adopted any Convention at all.

Mr. N. M. Joshi: I admit that the Honourable Member is technically correct but, at the same time, my Honourable friend will admit that the Conference has passed a resolution. It was a slip when I called it a Convention; but they have passed a resolution recommending that a Convention should be considered at the next Conference. Not only the European countries have now seen the necessity of reducing the hours of work as a remedy for depression, but even in America the American Federation of Labour has now begun to demand a much smaller weekly hours than even forty hours. And what are we doing? Although a Royal Commission has recommended reduction of hours of work and the recommendation has been before the public for more than a year and eight

months, the Government of India have not yet introduced legislation. I quite realise that the Government of India issued a circular letter last June, but they have now, I am sure, received replies to that circular letter and I expected that legislation on this subject would have been brought before this House at this Session, if not at the last Session. Unfortunately the Government have done nothing of the kind. The class of labour which is likely to benefit from this reform is illiterate and also unorganised. It is true that on account of these two defects they do not make much noise; but simply because these people do not make much noise,—therefore, it does not mean that they do not want the reform and they do not insist upon it. The only way by which these poor ignorant and illiterate people can show that they want reform is the method of a strike, and I would recommend to the Government of India not to wait for a strike in order to undertake a reform of this nature. Moreover, I feel that when a certain class of people are ignorant and unorganised, it is in their case that the help of a Legislature and the help of a Government is more needed. Take, for instance, conditions in England. There the hours of work are not restricted for males by legislation. There they have got an eight-hour day without any legislation. This has happened, because European labour is organised. But in India labour is not organised; labour cannot make sufficient noise nor can labour organise a big strike. I hope the Government of India will take early measures in this matter.

The second subject with which I shall deal, with your indulgence, Sir, is that the Government of India should tell me what kind of investigation they are making as regards the introduction of some scheme of health insurance. The Royal Commission recommended that they should immediately undertake investigations as regards the incidence of sickness and other matters, and I want to know what kind of investigations the Government of India is making in this matter.

Then the Royal Commission recommended that there should be legislation on the subject of maternity benefit throughout India. I have not yet seen the Government of India making any proposal on this point also. I shall finish in two minutes, Sir. There is already legislation on this subject in two provinces, in the Central Provinces and Bombay. The Royal Commission, therefore, recommended that this legislation should be undertaken throughout the country and I, therefore, suggest to the Government of India that they should not waste time, but undertake legislation immediately.

There is only one point more and that is, that since last year the Government of India do not send advisers for the International Labour Conference. Generally, the full delegation of a Labour Conference consists of delegates and advisers for the Government of India, a delegate and advisers for the employers, and a delegate and advisers for the labour. They only sent a Government delegate for this preparatory Conference which was referred to by my Honourable friend, the Member in Charge—they sent only a Government delegate and did not send a delegate for the employers or for labour. I do not know what the intention of the Government of India is this year; but I hope that the House will insist that the Government of India should send this year the full delegation representing each side with advisers. It is quite true that these are times when we should economise, but certainly it is not much money that is saved by not sending two or three people to Geneva for good work such as the work of the International Labour Conference. The other

[Mr. N. M. Joshi.]

day when I said that our people should take more interest in these International Conferences I was told that we do take interest in the International Conferences. If we do take interest in International Conferences, then we should certainly be prepared to spend a few thousand rupees for sending men for this Conference. I do not wish to take any more of the time of the House, but I suggest that the Government of India should give me satisfactory replies to the various grievances that I have put forward. I do not expect that one Department could give replies to my various complaints. I expect that whatever may be the Department, which is concerned, it should stand up and prove to this House that there are no complaints and that, if there are any, they will be removed without delay. But if they do not do so, then I hope the House will agree with me in passing a censure on the whole of the Government of India. (Cheers.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Department of Industries and Labour' be reduced by Rs. 100."

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, I wish to make a few observations with your indulgence and with the indulgence of the House on this motion. I am aware that the portfolio of Industries and Labour is now in the hands of a very earnest and sincere man and that he is ably assisted by a Secretary who was himself a member of the Labour Commission and has studied with great care all the aspects of the labour problem in this country, and, therefore, we look forward to the time when the Government will earnestly take up all those suggestions that have been made by the Royal Commission on Labour for the amelioration of labour. Therefore, the observations that I venture to make are not in the nature of a censure excepting perhaps those that I have to make with regard to the non-intervention of the Government in the recent Madras and Southern Mahratta Railway strike which also I trust will receive the consideration it demands at the hands of the Department and be dealt with with the least delay.

Last year, Sir, I asked certain interpellations in the House with regard to the labour conditions in the Aruvankadu Cordite Factory in the Nilgiris. Mr. Young, who was then the Army Secretary, very sympathetically replied to those questions and, when I happened to lead a deputation to the Army Secretary, he was kind enough to accept many of the proposals I put forward and redress as far as possible their grievances. In the course of my conversations with the representatives of the Union, I discovered that the Aruvankadu Union was not registered, and while I was recently at Madras I was told that the Government Press Employees' Union was not also registered. The Government, in pursuance of their policy in such matters, are not permitting these Unions to be registered. The Royal Commission on Labour recommended that the Government should allow such Unions to be registered and that all facilities should be accorded for the purpose. At page 326, they say:

"So far as industrial employees are concerned, we recommend that Government should take the lead both in making recognition of Unions easy and in encouraging them to secure registration."

Sir, I think the Government ought to set an example to the Unions of other industrial concerns, and it is a matter of regret to note that, instead of doing it, they are still indifferent in this matter. They ought to give a lead to other Unions.

The Royal Commission on Labour suggests that the services of Government officers should be lent for the audit of these Unions. The Unions generally labour a great deal under financial difficulties, and it is, therefore, highly necessary that Government should encourage them by lending the services of their own officers for the audit of these Unions.

The Royal Commission on Labour suggested also that the Trade Unions Act ought to be revised and brought up to date to meet the various new conditions of labour that have sprung up after the passing of the Act. I trust the matter will be taken up as early as possible and Government will see their way to do so.

Then, again, the attachment of wages and salaries is another important matter which affects the welfare of the poor labourers. The Royal Commission on Labour at page 231,—for want of time I do not propose to read out the paragraphs,—has suggested that salaries below Rs. 300 ought not to be permitted to be attached. Now, very recently I came across a case of one Shankarnarayana Aiyar, an employee in the Madras and Southern Mahratta Railway, who, after about more than ten years' service,—he had a fairly long service, I am not quite sure about the exact period of his service,—was dismissed, solely because his salary was attached. He undertook to discharge the whole debt in the course of eight months or so, but the Railway authorities paid no heed to his request and ruthlessly dispensed with his services. It is really a very hard case, and I strongly feel that statutory assistance ought to be given to such kind of people.

Another grievance which I had occasion to ventilate in this Assembly by means of interpellations was with regard to the employment of those who are declared as unfit for any particular class of work. One Mr. Kumariah, after 16 years of service, was discharged by the Madras and Southern Mahratta Railway. He was found unfit in visual test for A class service, but was fit for B class. The Royal Commission on Labour lays particular stress on the fact that people who are found unfit in visual test or for some other similar defect should not be altogether sent away, but some kind of employment should be found for them in other departments of the Railway. The Madras and Southern Mahratta Railway persistently ignored that recommendation and the services of Mr. Kumariah were dispensed with. The Railway Board said that it was a matter entirely in the discretion of the Agent or the Traffic Manager to be dealt with as they thought best, but I consider that such glaring instances of injustice should be peremptorily stopped.

Then, the question of appeal against dismissals is also an important one. The Royal Commission on Labour made specific recommendations to the effect that a charge sheet ought to be framed and it must be served on the party concerned. They also suggested that witnesses might be examined and a representative of the Union should be allowed to render assistance to the party when the cases are heard. There ought to be an appeal also to the Agent. There are many instances where this recommendation is entirely ignored by the Railway Companies. It is really a hard thing and must be stopped.

[Mr. K. P. Thampan.]

The revision of the Trade Disputes Act is another important matter to which I wish to invite the attention of this House. The Trade Disputes Act is primarily intended for the investigation and settlement of trade disputes. It lays down that in cases where both the employers and the labourers make applications to the Government for setting up a Board of Conciliation, Government should comply with such a request; but where one party alone applies, it is left to the Government to constitute a Court of Inquiry or not. In India in the year 1932 there were as many as 118 trade disputes involving 128,099 workers. The most serious strike of the year was that in the Madras and Southern Mahratta Railway workshops at Perambur, Arkonam and Hubli involving about 8,300 workmen and responsible for a loss of 440,000 working days during October—December, 1932. In 71 of the strikes or 60 per cent., the chief demand related to wages or bonuses. This is a higher proportion than has been recorded since 1921. The number of strikes where the workmen were successful in gaining any concessions was approximately 36 per cent. of the total number. In Madras, there were three or four Labour disputes, viz., the lock out of Spencer's Ice salesmen, the strikes in the West India Match Factory and there was trouble among the dock workers as well. The Unions concerned applied to the Local Government to establish Conciliation Boards, but the Local Government refused to do anything of the sort. This is what the Royal Commission on Labour observe at page 847 in this connection:

"In concluding this Chapter, we would emphasise the fact that the most useful form of State assistance in dealing with trade disputes is scarcely employed in India. The official out-look, like that of the public, has been concentrated largely on the final stages of disputes. As a rule, committees and tribunals have been set up only when disputes had attained considerable magnitude, and when a strike was either imminent or in being."

Sir, in Bombay between the years 1924 to 1928 there have been several cases where Conciliation Boards have been successful in establishing cordial relations between the parties. The neglect on the part of the Government to interfere with the M. & S. M. Railway strike was really deplorable. Perhaps, the House is not aware of the genesis of this strike. It was entirely due to the refusal of the Agent to take the Union into his confidence in estimating the surplus. It was said that in January, 1932, there was no surplus. In June, 1932, also, the Railway Board re-affirmed that when the All-India Railwaymen's Federation came to meet the authorities in conference at Simla; but, by September, the Agent found there were about 160 men or so to be surplus. But the Agent did not stop there. He began to revise his opinions in the matter, and, in a couple of months, he said that the surplus came to 600 and odd, and he began short hours which was, according to the Union, beyond the actual requirements. The dispute arose in this way, Sir, and the Madras Railway Union insisted on talking over the matter at a round table conference, but the local Railway authorities refused to comply with the request. The Railwaymen applied to the Government to appoint a Conciliation Board, and the Government also did not accede to it. In this connection, not only the Railway Union, but the public of Madras also approached the Government, with no result. It was said that repeated telegrams were sent to the headquarters asking them to interfere in the matter. The result of that was about 10,000 workers employed in Arkonam, Perambur and Hubli Workshops went on strike and they and their families were put to a lot of hardships and starvation.

Sir, you must have known that finally a Citizens' Committee was appointed under the auspices of the Sheriff of Madras to settle this matter. The feeling among the members of the Union is that sheer injustice was done to them by the Citizens' Committee. I am sorry that Mr. James, who was the Chairman, is not in his place—yes, I am glad he is in the House. The Honourable Member in charge of the Railways the other day paid encomiums on the work that was done by the Citizens' Committee, and Mr. James also, in his capacity as Chairman, glorified their exertions. But the other side of the question went by default and, as a matter of fact, as I said, the belief among the Union people is that they were cheated and that the Committee played wilfully into the hands of the Agent. It is highly deplorable that the Railway Board refused to discuss this matter with the All-India Railwaymen's Federation during the recent Conference. It was published in the papers that Sir Guthrie Russell refused to discuss the matter. Sir, I am reliably told that the thing will not end there. Their grievances are not redressed and still smoulder. I am told that the Union have consulted legal opinion and that they are taking action against Mr. James and other members of the Citizens' Committee and the M. & S. M. Railway also. (Hear, hear.) Their difficulty was, having agreed to the terms of the communiqué issued on the 23rd, that nobody would be victimised, they had called off the strike, and, according to law, it was necessary to give a fresh notice. In view of the emphatic protest and challenge made by the Union, it was up to Mr. James and the other members of the Committee to satisfy the public that they had the authority of the strikers themselves to arrive at the conclusion that they have reached. The terms of settlement published under the authority of the Agent did not stipulate that 300 Hubli strikers and 63 Arkonam workmen would not be taken back which, so far as the public are concerned, clinches the whole controversy. I am sorry, my time is up, but as there is a good deal to be said on this matter, I am confident that some other Member coming from Madras will take up this subject. The Committee has not brought about any settlement of the dispute and the grievances of the strikers remain unredressed, and unless the Government intervene, it is not too late to do so, there is likely to be a recrudescence in the immediate future. It is up to them to save the situation. If they do not do so, it will be a gross blunder and neglect of duty on their part.

U Kyaw Myint (Burma: Non-European): Sir, I have always accused this House of being a capitalist House and the evidence before me today is conclusive. The Honourable Members, who ventilated with great eloquence the grievances, or rather the imaginary grievances, of the landholders this morning, have not even troubled to be present this afternoon. As I was listening to Mr. Joshi's speech, I followed a train of profound thought and began to compare him—he might well be called a labour leader, although, owing to the deficiencies in the present Constitution, he had to be nominated by the Government—I was comparing my Honourable friend with the recognised labour leaders of the West; and then it suddenly struck me—and it was a somewhat amusing thought—that, whereas the Honourable Member in charge of the Department of Industries and Labour could well pass for "Uncle" Arthur Henderson of England, and whereas my Honourable friend, Mr. Clow, if he kept his hair a little longer, would resemble Mr. Maxton, Mr. Joshi hardly looks like a labour leader, as we visualise labour leaders in England....

1842

LEGISLATIVE ASSEMBLY.

[9TH MARCH 1933.]

Mr. F. E. James: What about J. H. Thomas?

U Kyaw Myint: With a few dress shirts, Mr. Joshi might perhaps emulate Mr. J. H. Thomas. (Laughter.) Although he would feel lost without a Mr. Eamon de Valera to fight with.

Sir, the subject of labour in this country is of enormous importance principally because, as in most other countries, the vast majority of the population belongs to the proletariat. I have never pretended to be a labour leader either here or in my own province, but when a House like this takes so little notice of labour questions and the grievances of labour, I feel I must support my Honourable friend, Mr. Joshi. If my tone is conciliatory, it is because of the knowledge that the Government of India have certainly done their best to carry out all the recommendations, as far as circumstances allow, of the Royal Commission on Labour. In fact, in one direction in Burma they carried out one particular recommendation of the Labour Commission with so much promptitude that we were flabbergasted. I am referring to the abolition of the post of Assistant Protector of Immigrants.

The condition of labour in Rangoon is peculiar. It is peculiar because of this: Rangoon is the only industrial town in the whole of the province and the main industry in Burma is the rice milling industry, and we rely almost entirely on Indian labour provided, almost entirely also, by Southern India, particularly the Madras Presidency. The Assistant Protector of Immigrants was himself a South Indian and had, therefore, the great advantage of winning the confidence of the immigrants, the immigrants being largely from his own Presidency of Madras. The Labour Commission, I say with great respect, apparently formed an erroneous impression of the value of the work of the Assistant Protector. In the Commission's report a very brief paragraph is given to the Protector of Immigrants and there occurs this passage therein:

"The Assistant Protector is present at the arrival of ships bringing immigrants, but we doubt if the majority of those arriving are aware of his existence."

That remark may have been to a great extent justified, but my submission is that, if the immigrants were not aware of the existence of the Assistant Protector, it was largely the Government's own fault: they had not been "boosting" him enough, if I may use an American word. At any rate, the services rendered by this particular gentleman were invaluable and that opinion is shared by the European mercantile community. They have not been content with merely holding that opinion, but they have carried out whatever they could in the direction of filling up the deficiency created by the abolition of that gentleman's post. The British India Steam Navigation Company, who practically have the monopoly of the passenger traffic between India and Burma, have appointed the very same gentleman as a sort of unofficial Protector of Immigrants. But if the British India Steam Navigation Company had not done so, the position of immigrants arriving in Burma would have been far worse than it was before.

The Honourable Member in charge last year, Sir Joseph Bhore, was kind enough to grant me an interview on this subject, and I have the greatest faith in the assurance then given to me that the position will be reconsidered as soon as possible. But this gives us only another

instance of the consequences of recommending retrenchment, because we are always caught unawares by Government retrenching in the direction in which we least expected they would.

My Honourable friend, Mr. Thampan, referred to legislation now being considered which is intended to defend wage-earners, especially those on the lower scales, from the tender mercies of the money-lenders and other people like that. I am informed that such legislation is not merely being considered, but is being definitely planned to be brought into effect in the very near future. We in Burma, although our future, thanks to our own selves, is most uncertain at the present moment, are particularly concerned about Indian labour, because, as I was telling you a moment ago, up to this day we have relied mainly for industrial labour on India; and if I display an interest in the Indian labourer, I must confess, it is not from purely altruistic motives. The tendency in Burma has been for the Indian labourer, with a definitely lower standard of living, to arrive in Burma and naturally bring down the Burman's own standard of living. It is much easier for a standard of living to be lowered than to be raised, and, so far as one can visualise the future, I do not think that we in Burma, whether she is separated from India or not, will be able to dispense with Indian labour for many years to come; so that the question of their welfare, as well as that of Burmese labour, is of increasing interest.

Steps are being taken in the right direction by the Government of India. I do appreciate that. But the position of the labourer in the whole of India is still far from satisfactory. Take the question of housing, for example, although I speak with personal knowledge only of Rangoon. Unless the labourer is decently housed, unless the labourer has a decent chance of getting what everybody rightly expects in this world, namely, a certain amount of leisure, unless the amenities of life, which he justly deserves, are given to him, it must do the whole country a great deal of harm. If the pace of an army is the pace of its slowest soldier, then the progress of a country must be judged by the progress of its lowest class. For this reason, I particularly urge on this House the desirability of improving the conditions of labour in this country. I can contribute very little to such a debate, because I know so little, but I can assure my Honourable friend, Mr. Joshi, that, if he ever intends to form a Labour Left Wing in this House, I shall be behind him.

Mr. S. G. Jog (Berar Representative): There is something common between Burma and Berar and the fate of both these provinces up to this day appears to be hanging in the balance. I shall certainly extend my sympathies to Burma and I trust Burma will reciprocate it to Berar. I am glad Mr. Joshi has extended his field of activities today. Generally he restricts his observations to the labour movement, but today he has included also the grievances of Government employees. I shall not detain the House long, because it seems that they are impatient. (Voices: "No, no.") Anyway, I shall not detain the House long. I must agree with the observations of my friend, Mr. Thampan, that for the time being we have got as head of the Department an officer who is extremely sympathetic and who will pay attention to all the grievances of the employees. I had occasion to work with him on the Select Committee on the Workmen's Compensation Bill as well as the Assam Tea Plantation Labour Bill, and, on many occasions, he was able

[Mr. S. G. Jog.]

to accommodate us and was extremely considerate. I hope he will continue that sentiment or virtue and will utilise it so far as the grievances of these people are concerned.

Before I take up individual or departmental grievances, I would like to refer to a grievance which is common to all the Departments. I mean the granting of gratuity to the families of deceased officials. I know that a number of questions have been asked and a number of Resolutions moved both in this House and in the Upper House. I know at times promises have been given that the scheme of gratuity and provident fund will soon be put into operation. A hope was created in the minds of all Government servants, but nothing has been done so far. The plight of the families of middle class and low paid Government servants, who die in harness after 20 or 25 years service, is a very pitiable one. If they had lived for a few more years, they would have been able to get some pension and some other advantages. Now they get nothing and their families are left destitute. Government express sympathy for them, but is it not necessary that they should do something for these families, in the case of the premature death of these Government servants? I know of many instances where the families and children of these Government servants, who die in harness, are left in a destitute condition. I need not dilate on this subject. The matter has been agitated sufficiently. It is high time that the Government should take up this matter in right earnest and do something in the proper direction.

There are some grievances of foreign mail sorters. I have no mind to detail all these grievances. I would like to bring these to the notice of the Member in charge and discuss these things, and I hope they will be remedied after some discussion.

My friend, Mr. Joshi, has also referred to the emergency cut and the retrenchment campaign, but, in their love for retrenchment and economy, they have exceeded the ordinary limits and shown a tendency to grant things to people to which they are not entitled.

There are some grievances of the postal staff who have been holding acting appointments. They have been holding these acting appointments for a long time and the Government will be bringing in the new scale for the new entrants into operation very soon, and with an object probably, namely, that these acting people should not get advantages which would otherwise accrue to them upon confirmation, and they are being purposely kept in acting appointments indefinitely, because, if confirmed, they would get all the advantages incidental to confirmation. On the other hand, if they are kept on under acting arrangements, they would be put to hardships. Now I have got nothing to say as to when the new arrangements should come into operation, but Government, with that object, should not delay or postpone the confirmation of these men in these appointments if they are justly entitled to confirmation. Sir, this attitude of Government is likely to be misunderstood, and they should not lay themselves open to any such charge.

Then, the inspectors in the Railway Mail Service also have some grievances on the score of extra work. As against the prescribed 24 hours work up till now, they are now required to work for 50 years or even more. Sir, however good retrenchment may otherwise be, it should not lead to the unfair result of saddling these poor clerks and inspectors with additional

work. The life and the health of these people must be taken into account before this extra burden is thrown upon them.

There are many other grievances concerning the employees in several Departments, but it is very difficult to refer to them all within the short time at my disposal. There is one grievance involved in the invidious treatment accorded to the R. M. S. clerks at Poona. I find they are not getting the same scale as that granted to other similar people. I see no reason why these people serving at Ahmedabad and Poona should be singled out for this unfair treatment and I think they should certainly be brought into line with the other people. I have had prepared a few notes which I shall hand over to the Member in charge for favourable and sympathetic consideration, because I have not sufficient time at my disposal to refer to all the points.

Lastly, Sir, I should like to draw the attention of the Member in charge to the grievances of the Customs House Department. I am told, there is no satisfactory system of recruitment, promotion and such other things in that Department, with the result that the feeling among the Customs House Department people is that this gives a lot of room for favouritism. Of course some favouritism is bound to remain everywhere, but what I submit is that there should be a satisfactory system introduced for recruitment as well as promotion.

My friend, Mr. Joshi, also referred to a case in which the postal peons have got a grievance, and that is that, even at an advanced age, such people are put to the ordeal of an examination. Well, I should like to appeal to the Member in charge to consider that you should not call it an "examination": it sounds to me something like an ordeal that men at an advanced age should be asked to appear at examinations,—that men with a number of children and a large family to look after should be put to the necessity of doing extra hours of work in the office is very hard. Sir, these people already have other miseries, and is it possible for them to stand the strain of an examination? It is just possible that even if we are asked to appear at some examination, we may find it very difficult to pass these examinations. Sir, these are hard cases; and I do suggest that the rules for examination in their case should be relaxed considerably, at any rate in the case of those above the age of forty—these latter should certainly be exempted from having to pass examinations. They, having worked long in the Department, do certainly deserve to get promotion to the higher grades if generally considered suitable without undergoing this ordeal of an examination. Examinations are useful in their own way, but they should not be imposed on all people, and I submit that the Member in charge should give a sympathetic consideration to all these grievances which I have cited. Then, as regards promotion, there are also cases where these people have got grievances, for instance, men in the old cadres, although well qualified and possessing experience, do not get sufficient encouragement by being promoted to the higher grades. What I submit is that while the higher-grade posts should go by qualifications determined by examination, at the same time some number should be set apart for the promotion thereto by way of encouragement of people who, by due experience and age, are well qualified and deserve promotion. Some of these grievances are not confined to the Customs House Department, but extend to other Departments, like the Income-tax Department. What I submit is that by way of encouragement some quota or proportion should be left open for the lower-grade people so that they can show their

[Mr. S. G. Jog.]

worth, merit and intelligence and can fulfil their ambition. There are a number of other grievances, but I do not want to detain the House. Possibly you have got the interests of the employees of the several Departments more at heart than we (*A Voice*: "No, no"), but what we should like to point out is that there are several grievances which they feel and we point them out for your consideration. Your solicitude for the higher services is of course sufficiently well known, and we need not appeal to you for that (Laughter), but we have got to appeal to you now for redressing the wrongs of the lower grades. Sir, the contentment of these people, who practically do all the spade work and sit for hours and hours in the offices, should be considered as an asset of the Government, and Government should do everything to preserve and protect their health, their hygiene and secure their contentment. With these words, Sir, I support the motion.

The Honourable Sir George Schuster (Finance Member): Sir, my Honourable friend, Mr. Joshi, in his speech supporting his motion, issued commands to Members of Government in such a peremptory fashion that I was tempted to collaborate with my fellow trades unionists who sit on the Front Benches and organize a strike against him; but as the point which he raised has already been raised again by another speaker, so that two people in the debate, which covers such a number of miscellaneous subjects, have mentioned one and the same subject, I think it is right that I should rise and give the House a few explanations on the points raised by my Honourable friend.

Before going into any detail, I should like to make one general observation. I think my Honourable friend imported a good deal of prejudice and a certain amount of unfairness into the discussion when he talked in terms of the generosity or niggardliness of the Government. Sir, it is very easy to practise vicarious generosity with the tax-payer's money; and if Government think carefully before they accede to requests, it is because they have a public duty to perform and because they have public money to protect.

Now, Sir, my Honourable friend has raised two points with which I wish to deal. One is the proposal for substituting a contributory provident fund for the pension system and the other is the payment of some sort of gratuity to a pensionable official who dies in service. I think both these proposals have really been put forward on the basis of the same idea, that is, the idea, in the case an official who dies before he has earned his pension or before he has received the full benefit of his pension, of providing his dependants with something equivalent to the benefit that his pension would have been to him if he had lived. Now, Sir, Government have undoubtedly been considering this whole question for a very long time. My Honourable friend is perfectly right in that; but it has proved a subject of considerable difficulty. There are, of course, as Honourable Members know, already in existence a number of schemes which do provide for the families of certain classes of Government servants, but the main feature of all those schemes is that they do not impose, in the main at any rate, any charges upon the public funds over and above the charge that would in any case fall on the public funds by the payment of the ordinary pension. They are mostly contributory. Now, I do not think I need go through all the various schemes that have been considered, but after a very long period of study in 1929 the choice was narrowed down to three alternative schemes. I will call them scheme

A, scheme B and scheme C. Scheme A would have provided for the surrender of 1/3rd of the prospective pension in return for the guarantee of a lump sum payment equal to 12 months' pay on retirement or death in service. Scheme B would have provided for the surrender of the entire prospective pension in exchange for the guarantee of a lump sum payment on death or retirement. In both cases the lump sum payment would have been calculated so as to give the exact equivalent, so far as that can be actuarially calculated, of the pension or that proportion of the pension which would have been surrendered. And scheme C would have provided for the entire abolition of pensions and the substitution of a contributory provident fund. Now, Sir, all those schemes were worked out on the basis involving no extra cost to the public funds, and I want to put this point to the House. I think,—and it will be clear when I tell the House what has happened as regards all these schemes,—it is quite clear that all these demands that have been made on behalf of Government employees for changes in their emoluments of this kind are really applications for an increase of emoluments; and we feel that at the present moment when we have had to make compulsory cuts in the actual emoluments of Government officials who are already serving, it is quite clear that when we are reduced to an emergency of that kind, we cannot contemplate increasing the emoluments of particular classes of Government servants. My Honourable friend, of course, when he spoke of the cuts in pay, spoke as though the benefit of that was received by the superior services. I do not want to go into a lot of figures on that subject now,—I think there may be another opportunity to do so,—but I would remind the House that an enormous proportion of the extra cost involved by restoring five per cent. of the cut goes to the lower paid Government officials. In fact the actual benefit to officials on so-called "fat salaries",—and I do not know where a "fat salary" begins: let us say Rs. 1,500 per month and over,—the average benefit to them of the schemes which we are now proposing amounts to a restoration of one per cent. of their pay, or slightly over, about 1 1/37th, whereas, when you come down to Rs. 500 a month, it works out to an average benefit of well over 3 per cent. on the pay. So that my Honourable friend is again importing unfair prejudice into the discussion when he refers to that as a measure undertaken mainly for the benefit of the superior services. Well, Sir, that is my point, that all these applications are applications for increase in a particular form of the emoluments of Government servants.

Now, Sir, we were discussing the general financial future of India in the course of one of these cut motions the other day, and I was very much impressed by a speech made by my Honourable friend from Madras, Diwan Bahadur Mudaliar, in which he pointed out that there was no magic fund available from which the Provincial Governments of the future could be fed, that if they were to desire to find money for beneficial services, for greater expenditure on education and health and matters of that kind, that money could only be found if they were able to reduce the whole cost of the administrative machine, and that the Government of India in the future, when it became a national Government, would have to provide a much lower scale of remuneration throughout the services than exists at present. Well, Sir, I think my Honourable friend is quite right in that. Even at this moment another matter on which we have been very much pressed by the House is to introduce proposals for reducing the scales of pay throughout the services, and the scales that are under consideration now by Government, and as regards which there is a

[Sir George Schuster.]

considerable measure of agreement,—in fact a remarkable measure of agreement,—among all the provincial Governments and among all the departments of the Government of India who have considered the matter, those scales provide for a substantial percentage of reduction in the current rates of pay. Now, Sir, I do maintain that if conditions are such as are revealed in these facts, and if public opinion and the opinion of the House on the matter is such as I think I am entitled to conclude from what has been said in the course of the debate on this matter, then this is not the time when Government can fairly be asked to consider a change in the conditions of service which really means an increase, and a substantial increase, in the emoluments of particular classes of Government servants. If the Government servants concerned are ready to accept schemes which give them the benefit in the form which my Honourable friend desires and if they are prepared to surrender a proportionate part of their present pensionary benefit, then there is not the slightest difficulty in introducing a scheme which may meet all my Honourable friend's points. But in fact when they have been consulted, the opinion of all the service associations that have been consulted has been so adverse to any of these schemes that we have worked out that we have for the present come to the conclusion that it is no use trying to go on with any of them. After putting all these alternatives which I have explained to the House before the Local Governments, we came to the conclusion that the scheme A which meant surrendering one-third of the pension benefit in return for a certain lump sum payment was one which had the best chance of success and which, on the whole, was the best scheme. But out of 95 associations consulted which expressed views on the subject only six were in favour of scheme A, and five in favour of scheme B, and in those cases they all gave their approval, subject to the terms being liberalised. Sixty-seven expressed a preference for scheme C, that is the scheme of doing away with the pensionary benefit altogether and substituting a contributory fund; but in 47, out of those 67, assent was only given on the condition that we granted terms equivalent to those for which the State Railway Provident Fund Rules provide. The balance preferred the existing pension system. Now, Sir, if we were to extend the State Railway Provident Fund Rules to all other Government servants, it would involve an expenditure on a scale that we could not possibly afford at present. There is no way of getting away from that position. That, then, was the result of consultation in 1929, and more recently we took the matter up again with the Provincial Governments and we asked them whether, as the other scheme had proved so unpopular, they would be prepared to consider reducing the deduction of pension from one-third to one-fourth, thus liberalising the terms in that way. But all the Provincial Governments were against that scheme. They felt that even with those liberalised terms, it would not be popular with those services. They also felt, and we are all unanimous about this, that in the present financial condition of the country it would be impossible to undertake the extra liability involved. That, Sir, is the position which has been reached on this matter, and I say again that if what is wanted is the substitution of a scheme which will give the chance of a benefit to a man who dies in service, then there is not the slightest difficulty about modifying our terms in order to provide that sort of benefit, but there must be an equivalent sacrifice of the pension benefit, for we cannot really afford anything more at present.

Another point raised by my Honourable friend, which is closely allied with the point which I have just discussed, is the provision of a gratuity to a Government servant who dies in service. Well, this is a matter on which I myself felt that it would be most highly desirable if we could provide a benefit of that kind. We went into it very carefully in the Finance Department. We found that in order to provide a death benefit on the basis of one month's pay for every complete year of service to those who died in the Government service, in order to pay that for the central establishments only excluding the Railways, the cost would be immediately about 18 lakhs a year rising to about 20 lakhs and then diminishing, as the effect of the new scales of pay came to be felt, to about 15 lakhs a year. That, I would remind the House, is for the Central services alone excluding the Railways. Well, we felt that that again was a sum that we could not afford now. And my own view on the matter was that at the present rates of pay, if they are considered generally to be higher than is really necessary and to be capable of reduction for new entrants, then those who are receiving those rates of pay ought to be able to save something during their Government service, but what I did feel was that if we had to reduce rates of pay in the future then such saving would be more difficult. There are various ways of dealing with that. Of course it might be one of the provisions, when you introduce new scales, that instead of giving direct to the official the exact amount which he would get, a certain amount should be deducted and used for paying an insurance contribution so as to provide him with a death benefit, or, again, you could pay the full amount of the agreed salary and make compulsory deductions from that. We are considering these two alternative methods, either compulsory subscription to a general provident fund or some form of compulsory State insurance. We are not ready with any particular scheme, but that is a matter that is being very carefully examined by the Finance Department and the Home Department together. That, Sir, is the position. These are the bare facts of the position, and I really have nothing more to say than this that if this is a demand for increased emoluments—and it is quite clear that that is what my Honourable friend wants—then we are not in a position to afford it.

Mr. H. P. Mody: Sir, my Honourable friend, Mr. Joshi, has told the Government that they have forfeited his confidence. Now, if this was just a tactical move and the idea is merely to try and get something more out of Government than my Honourable friend has obtained so far, I say it is perfectly legitimate tactics and I would have nothing to say about it. After all we are living in an imperfect world and the voice of reason is not always listened to. Governments, in particular, not having a body to be kicked or a soul to be damned, are specially impervious in this respect, and my Honourable friend is perfectly right in continually pegging away, and trying to get more and more for the interests he represents. If, however, my Honourable friend really thinks that he has a grievance, then, all that I can say is that he does not know when he is well off. The trouble today is not that there is too little of industrial legislation, but that there is a great deal too much.

An Honourable Member: Legislation or demand for protection?

Another Honourable Member: Much the same thing.

Mr. H. P. Mody: That I shall deal with presently. I was saying that what we are suffering from is not too little legislation but a surfeit of it.

[Mr. H. P. Mody.]

Now, in so far as that arises from the awakened conscience of the world, conscience both of the Government and of employers, I wholeheartedly welcome it. In spite of all that has happened, in spite of the most unhappy relations which have prevailed for generations between capital and labour, capital is beginning to realise that the operative is not a machine, that he requires to be treated as a man, and, therefore, all proper measures for the amelioration of his lot must command the sympathy of every right-minded man. But, in so far as the demand for legislation arises from what is being done at International Conferences, where a lot of idealists meet and try to impose upon this country conditions which are wholly unsuited to it and for which this country is not ripe, then I say the time has definitely come to cry halt. What is the grievance of my Honourable friend against Government? If any body has a grievance, it is I, not my Honourable friend. The other day I was idly glancing over an index volume dealing with legislation, and I found that in the last ten years the Government of India have as many as six measures of labour legislation to their credit, and 12 amending pieces of legislation. Such a large number of enactments in the course of ten years should have satisfied even the appetite of my friend, Mr. Joshi

An Honourable Member: What about the Protection Bills?

Mr. H. P. Mody: That is why I was suggesting that my friend does not really know when he is well off. Supposing by a turn of the wheel of fortune, my Honourable friend were to take the place which Sir Frank Noyce is occupying today. I am sure, he would become a positive die-hard and you would see the phenomenon of Mr. Joshi occupying the Treasury Benches and my attacking him for not proceeding fast enough with labour amelioration measures. That might conceivably happen. As I said, all reasonable measures of labour amelioration must command our sympathy; but what I was trying to say was that legislation must be correlated in some way to the conditions of the industries to which it is applied; and if the particular industry to which it is sought to be applied cannot afford it, and the result is more and more burdens being imposed upon that industry, then it is not in the interests of labour itself that such legislation should be enacted. Look at what has happened in Lancashire and other parts of the world. Labour has stood out for very high wages; all these years of depression labour has stood out for many other things; and the result is that the industry in Lancashire has suffered grievously and employment has gone down to the extent of fully fifty per cent. Is it in the interests of labour to have that? I want to remind my Honourable friend of the fact that this country was one of the first and earliest amongst the great countries of the world to ratify the Washington Convention of 1918; and what was the result? I do not say that we should not have ratified it. It was a proper act on the part of a Government and people which are humanitarian in their outlook; but what was the result? Japan did not ratify that Convention for years and years, and she derived immense advantages from such non-ratification with the result that industries in India were penalised; and so with regard to everything. My Honourable friend says, what is the world doing? Shall I give him an answer? The answer will be most unpalatable to him. The whole world today is reducing wages, if that is what he wants; and, at a time like this, when according to my Honourable friend himself every industry

is suffering, he actually suggests that the hours of labour should be reduced. Reduced for whose benefit? It may be, and I think the time will come when the hours of labour will have to be reduced to 54. I can visualise a time in the distant future when the hours of labour may be still further reduced to 48. But the time is not yet and that is the whole difference between myself and my friend, Mr. Joshi

Mr. K. Ahmed: When will the time come?

Mr. H. P. Mody: The time will come when India has advanced beyond the stage of industrial infancy; the time will come when our industries will have been so firmly established on their legs that they will be able to undertake burdens of this character; the time will come when those in charge of our industries will find that they are dealing with labour which is led by genuine trade union leaders and not by people of the type of my friend, Mr. K. Ahmed—for the moment I will leave out Mr. Joshi, though they are always associated in my mind as the heavenly twins (Laughter)

Mr. K. Ahmed: And capital will make hay in the sunshine?

Mr. H. P. Mody: The whole position is that the record of the Government of India in the matter of labour legislation is one which reflects credit upon them and on the Legislature; it is certainly not anything to be ashamed of. As the conditions of our industries improve, that record will become brighter and brighter. But to try and censure the Government, because of some lack on their part of appreciation of the wants and needs of labour, is, I say, not only wholly ill-timed, but unfair both to the Government and to this Legislature which has stood by labour interests all along

Mr. K. Ahmed: It is the other way round.

Mr. H. P. Mody: It is very appropriate that my Honourable friend should always be talking of something which is round (Laughter), though I have not exactly followed what it is that is the other way round in this particular case.

Mr. K. Ahmed: It is with capital that is lacking appreciation of the needs of labour.

Mr. H. P. Mody: I only know this, that if I was to try and get round my Honourable friend, Mr. K. Ahmed, it would take me a good long time! To end on a less controversial note, I wholeheartedly agree with what my Honourable friend, Mr. Joshi, has said, and which has been supported by Mr. Thampan and Mr. Jog, with regard to the conditions of poorly paid Government employees. My Honourable friend, the Finance Member, it is true, has given a reply which seems convincing, partly because of the financial stringency at the moment; but I for one would suggest to Mr. Joshi to lead a strong deputation to the Government of India and to try and show what the necessities of the case are and how they can best be met. For instance, the Finance Member referred to the difficulty of giving even death benefits because of the expense involved. I would not regard the expenditure of a mere 20 lakhs of rupees as some thing which should prove a positive obstacle in the way of carrying out such a measure of justice. I for one would submit even to higher taxation for conferring a

[Mr. H. P. Mody.]

benefit like this upon a large body of deserving people, and I say that my friend, Mr. Joshi, and the other champions of the poorly paid Government employees would do well to keep pegging away at that question and to bring it on to a more practical plane by leading a deputation to the Government of India with a view to more speedy action. Mere discussion on the floor of this House is often infructuous and does not lead anywhere, and there are better ways of getting from Government the relief which you think is most needed. For the reasons that I have given, while I support all that Mr. Joshi said in the first fifteen minutes of his speech, I am afraid, I cannot follow at all his line of reasoning when he talked of the deficiency of labour legislation in this country.

Mr. S. C. Mitra: Sir, I am thankful to my friend, Mr. Joshi, for initiating this discussion.

[At this stage Mr. Deputy President (Mr. R. K. Shanmukham Chetty) vacated the Chair, which was occupied by Sir Hari Singh Gour.]

I cannot appreciate why, whenever there is a discussion about labour in this House, the representatives of capital should think that they must say something against it. Western notions are so much on our brain that we cannot think of anything except the Marxian theory of class conflict. Why should we accept it as gospel truth, that the different classes in India should be always fighting? I think it is against the true Indian ideal and here I shall have the support of my friend, Raja Bahadur Krishnamachariar, about his *Varnashram* ideal of India. Why should the different classes always consider that their interests are clashing? It has become a fashion to compare India with other European countries as regards her defence, finance, incidence of taxation, and other things; I would like to ask, not so much about labourers who get some work for their little wages, but what about those who do not get any employment as compared to the unemployed in other countries. The big question that has engrossed the attention of all the civilised world is about unemployment: and what is the reply of our Government about that question of unemployment in India? Have they any unemployment insurance scheme? Have we even collected the statistics not only of the industrial labour, but of the agricultural labour as well, throughout this vast land? I think Mr. Joshi should have raised this question. The prosperity of a country depends largely in finding sufficient occupation for its people.

Then, the other questions about old age pensions and sick insurance and all those similar questions that are engrossing the attention of real leaders of the labour and of public opinion in other countries are not even thought of in this country. If I raise this question now in this House,

4 P.M. I know the stereotyped reply will be that it is a matter for the Provincial Governments, and perhaps it may also be said that that is a transferred subject with which the Government of India have no concern. But I think even as model legislation the Government of India should some day think of initiating legislation for unemployment insurance, old age pensions, insurance against sickness and other kindred matters. I personally believe that, for the solution of the Indian trouble, one day we shall have to tackle the unemployment problem. It is a very important problem on which all our energies and attention should be

concentrated, but the Government of India are very negligent about these matters. They are busy about taxation, but they do not consider the question of initiating beneficial legislation of this character.

Now, Sir, I shall only say a word about a specific question which has been replied to by the Honourable the Finance Member about officers who unfortunately die at the end of their service, but before actually completing 30 years, and leave behind them a host of dependents uncared for or unprovided for. Sir George Schuster showed great sympathy for these unfortunate officers, but all he said was that these people should have set apart a portion of their pay as provision for rainy days. If that is the argument of Government, I think we can say with greater force that for the highly paid officers there need not be any pensionary scheme at all, because those who are paid higher salaries can easily set apart a large part of their salary as provision for old age and for their children. It is not in human nature to be ready for death always and to provide for the future and set apart a portion of one's small salary. Human mind generally thinks that man will live long enough. I remember many cases, some of them very hard cases indeed, where the main bread winner of the family died almost nearing the full term of office, that is 30 years, and the dependents were left stranded. I think, though the whole scheme may cost about 15 or 18 lakhs, Government should still consider sympathetically the cases of these unfortunate people. Sir, with these words, I support the motion of my friend, Mr. Joshi.

The Honourable Sir Frank Noyce: Sir, I find myself in an unusually difficult position this afternoon. Those of my colleagues on these benches, who have had during the last three and a half days to deal with motions for cuts, have in the main had to deal with questions of general policy. I am not only asked to do that this afternoon, but I am asked to deal with a multiplicity of details, with many of which I am not really concerned. My Honourable friend, the Finance Member, has dealt very fully with the points which concern his Department, but other Departments have been mentioned, such, for instance, as the Home Department which is concerned with the grievance of Mr. Joshi, which was that the proposed All-India Federation of Government Servants was not recognised. The reason for that, Sir, was that it did not comply with the recognition rules which lay down that an association of Government servants in order to be recognised must be homogeneous. I am very much afraid, therefore, that I cannot satisfy him on that point.

Well, Sir, the brunt of the attack on my Department as usual has come from my friend, Mr. Joshi. I greatly admire Mr. Joshi's sincerity; I greatly admire his consistency; still more do I admire and envy his persistence. If he will excuse a comparison, I cannot fail to be reminded on an occasion such as this of one of the most celebrated birds in poetry, the raven in the famous poem of that name by Edger Allan Poe. Now, Sir, the raven was a very laconic bird. It had only one word in its vocabulary and that word was "never more". Now, nobody can accuse Mr. Joshi of being laconic, but, if I may say so, it does seem to me that he suffers from the raven's fault of repetition. The burden of his annual dirge is invariably that Government are doing nothing. Now, Sir, I shall have to say a few words about that later, but before I do so, I should like to deal with the specific grievances that he and one or two other Members have

[Sir Frank Noyce.]

raised in regard to the Departments in my charge. I should have thought that the better occasion for voicing the grievances of the Postal and Telegraph employees would have been when the demand for the Posts and Telegraphs Department comes up for discussion, as it probably will tomorrow afternoon, but as the points have been raised, I will do my best to deal with them now. They are, as far as I can make out, five in number, and I must say that I feel that, if Members of this House have no stronger grievances than those voiced this afternoon against the Department, it says a great deal for the Department. Now, the first of these grievances related to the foreign mail sorters, and was that they have to spend a considerable amount of time away from their headquarters and they receive an insufficient allowance for so doing. I am glad to be in a position to inform Mr. Joshi and also Mr. Jog if he had been in his seat, that that grievance has been settled. We do agree that this is an exceptional case, quite an exceptional case, in which the stay away from the headquarters is unusually long. In the next two or three days, orders will issue increasing the halting allowance to this class of employee, though perhaps not quite to the extent that they could wish.

I now return to the question of late fee and express charges. Here I regret that I am not in a position to give such a satisfactory reply. It seems to me undoubtedly that the proportion of the amount of these charges which is retained by postal employees partakes of the nature of pay for work done, and I cannot myself see that it is any more improper to subject it to the cut than it is to subject ordinary pay to the same cut.

Then, Mr. Jog raised the question of people being kept in acting appointments for a long time. Well, Sir, that is inherent in the present position. The Posts and Telegraphs Department is a department, the volume of the work of which varies very greatly from time to time. I think it would be a very bad policy if the Department were to confirm as permanent officials persons who, if the Department's business continues to decline, may not be required, or whose retention may be rendered unnecessary by further re-organizations. When, as we all hope will happen in the near future,—one could wish that signs of its doing so are rather more apparent than they are at present,—the business of the Department again resumes its normal upward trend, then it will be possible to adopt a different policy as regards making the staff permanent. In the meantime, I think that it should be recognised that those who are employed even on an officiating basis only are luckier than the great number of people who are unable to secure work of any kind even on a temporary footing in this time of general unemployment.

Mr. Joshi and Mr. Jog further voiced the grievances of postmen and the lower grade servants in general in regard to promotion to higher grades. I have looked into that case in the course of the last day or two in connection with the motions for cut and I am glad to find that there is very little in this grievance. My Honourable friend, the Director General of Posts and Telegraphs, received a deputation on the subject quite recently and was able to take what Mr. Joshi will, I am sure, regard as satisfactory action in regard to the only grievance that he was able to find, and that is the grievance that the senior postmen are subjected to examination before they can be regarded as qualified for lower division clerkships. I entirely

sympathise with the view that it is rather hard on them to require them to pass examinations at their time of life. One of the nightmares I had for many years after getting into the Indian Civil Service was that I should be called upon to pass the examination again within a week and, that, if I did not do so, I should lose my job. In order to meet this grievance, the Director General has decided with my full concurrence that the Heads of Circles should be empowered at their discretion to exempt from test those senior members of the postmen staff whom they consider deserving of the concession and that these men may be promoted to any of the posts for which they are otherwise eligible without passing the test if the Heads of Circles are satisfied of their general suitability. Orders communicating this decision will be issued also in the course of the next few days.

As regards the general position in respect of the prospects of promotion of postmen, mail guards, and the lower grade staff generally, those have been considerably improved of late. They used to be eligible for 11 per cent. of the vacancies only; now they are eligible for at least 50 per cent.; and in fact, if they are good enough to go on to the upper division, they are eligible for as much as 75 per cent. I cannot, therefore, agree that there is any grievance under this head.

Mr. Jog mentioned that the R. M. S. Inspectors, I think he said at Poona, are over-worked. I gather that some complaints have been made. I find that the matter is under reference to the Heads of Circles and I can assure the House that there is no desire to cut staff so far as to give legitimate ground for complaint. The Heads of Circles are always ready to discuss specific cases of complaint with local branches of the Union. The Director General will look further into that and set matters right if necessary.

My Honourable friend, Mr. Thampan, raised the question of the Trade Disputes Act with special reference to the strike on the M. & S. M. Railway. Before I deal with that latter point, I can only repeat the assurance that I gave the House, I think it was in September last, that I was looking into the whole question of the revision of the Trades Disputes Act in the light of the recommendations of the Royal Commission on Labour. Consideration of this question is still in progress, but we have had so many other pre-occupations of late that it has not been possible to come to any final conclusions in regard to it. We hope to do so before long.

Now, Sir, I turn to the allegations of indifference, negligence and the rest which have been brought against the Government because of their non-interference in the matter of the Perambur Railway Strike. The whole subject has been discussed so often and at such length on the floor of this House that it is quite unnecessary for me to go into the merits of the case. I merely wish to explain the attitude of my Department in regard to the request or rather the absence of a request for the appointment of a board of conciliation. We, in this Department, received no request for a board of conciliation until towards the end of December last. My Honourable friend, Mr. Thampan, is quite aware of the rules on the subject. He knows that a board of conciliation can be appointed by Government on the application of either side, and that it must be appointed if both sides apply. I maintain that there was no necessity whatever for the Government of India. . . .

Mr. K. P. Thampan: I did not hear my Honourable friend well. Does not the Act provide, if the Government so choose, for the appointment of a conciliation board on the application of one party alone?

The Honourable Sir Frank Noyce: I have said that a board can be appointed if one party applies. That is the point to which I am coming. I thought that my Honourable friend knew quite well that it could be appointed if only one party applied. The point I wish to emphasise is that we did not get an application from either party until the end of December, and I take it that when a man in Mr. Giri's position who, I have no doubt whatever, is very well conversant with the provisions of the Act and the rules thereunder, did not apply, that means that he and his party did not want a conciliation board at that stage. There is no reason whatever why, when the two parties to a dispute know perfectly well what the rules on the subject are, the Government should interfere at an earlier stage than is necessary, and that stage presumably comes when one party to the dispute applies for the appointment of a conciliation board

Mr. K. P. Thampan: Is my Honourable friend sure that the M. & S. M. Union did not apply to the Member in charge of Railways?

The Honourable Sir Frank Noyce: I am not concerned with the application to the Railway Department. I am concerned with the application to my Department. The rules definitely lay down certain provisions. Here is the rule.

"An application for reference of a trade dispute to a Court or Board shall be made in Form A and shall be forwarded by registered post in triplicate to the Secretary to the Government of India in the Department of Industries and Labour."

That is the rule on the subject and that rule was followed towards the end of December. It was only then that we got an application for the reference of this dispute to a board of conciliation.

Mr. K. P. Thampan: May I know the date of receipt of the application?

The Honourable Sir Frank Noyce: The first formal application for a board of conciliation complying with the provisions of rule 4 of the Indian Trades Disputes Rules was made to the Government of India by the Union on the 29th December, 1932, several days after the Citizens' Committee had been functioning and when apparently it became evident to the labour side that their case was not as strong or as generally acceptable as they had thought it to be. By that time it was obviously no use whatever for the Government of India to appoint a conciliation board. They could not have appointed a better conciliation board than the one which was already in existence and which was presided over by my Honourable friend, Mr. James. He must, after the remarks which have been made by Members of this House on sundry occasions, be wondering how much truth there is in the Biblical maxim "Blessed are the peace makers".

I now pass on to another point which was raised by my Honourable friend, Mr. Thampan, in regard to the non-registration of two trade unions. I think that is a provincial matter, but I shall be glad to look into it to see

Mr. K. P. Thampan: The Aravankadu Cordite Factory is not a provincial matter.

The Honourable Sir Frank Noyce: The actual registration of the union is, I think, a provincial matter. I know that the union is a union of servants of the Army Department, but the actual registration of the union is a provincial matter.

It is unnecessary for me to say much about the point raised by the Honourable Member from Burma, especially as he is absent from the House. His grievance was that we had taken rather too drastic action on a recommendation of the Royal Commission on Labour and had abolished an appointment which he thought ought not to have been abolished. (However, as the gentleman holding the appointment in question seems to have found a more useful scope of work under the British India Steam Navigation Company, whereas the Labour Commission thought he had no work at all to do, it seems a case of "All is well that ends well". I can say no more in regard to the very important point raised by my Honourable friend, Mr. Mitra, than that the question of unemployment is one of the very greatest difficulty. He knows as well as I do that it is a provincial question and that it is for the provinces to take action in the first instance on it, but any assistance that the Government of India can give them in the way of information or in any other way will be readily given.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): May I point out that it is the Government of India which is the largest employer of labour in railways and post offices?

The Honourable Sir Frank Noyce: They are the largest employers of labour and they have also the smallest proportion of unemployment. I do feel myself from my recollection of what the Royal Commission on Labour said on this subject that that part of their report was one of the least satisfactory. It was bound to be so owing to the inherent difficulty of the problem. There is after all no country in the world which has solved the unemployment problem. Even in England which, at any rate, has taken the best measures for alleviating the distress arising out of unemployment, they have not solved the problem of unemployment and other countries are in an even worse state. Unemployment is a condition which arises out of world conditions and the only real cure for it is economic recovery.

I now come back to the points raised by my Honourable friend, Mr. Joshi. He wants factory legislation expedited. We issued a very lengthy circular on this subject and the last reply came in only a fortnight ago. The printed opinions run to between 200 and 300 foolscap pages and it will obviously take considerable time to digest them and to get our legislation in a form in which it could be placed before this House. He also wanted to know what investigations have been made as regards health insurance. There, Sir, we put the matter before the Standing Advisory Committee of this Department and we got into touch with the Public Health Commissioner who is making efforts to secure statistical material, forms, etc., from England in order that we can get some sort of basis on which to work. This question of health insurance is going to prove an extremely difficult one and we have to try and get satisfactory information before we can get to work on it. Mr. Joshi also wanted

[Mr. N. M. Joshi.]

afford to spend some money on things which are absolutely necessary. I am not one of those people who are asking him to reduce the rates of income-tax. I feel that the Government of India should have some money in order to undertake some schemes which are absolutely essential and which cannot be postponed. The Honourable the Finance Member referred to the fact that there is no magic fund. Sir, I do not suggest that there is a magic fund, but there is sufficient fund and sufficient capacity of the Government of India to get funds, if there is felt to be a great need, for that purpose. Sir, the Honourable the Finance Member did not tell the House when the ideas about these schemes were first brought forward. The question of the inferior servants and their pension and leave rules has been placed by myself before this Legislature for more than ten years. The scheme for a provident fund and gratuities was first talked about and considered in the year 1924. The Government of India since then have had crores of rupees, to be spent over the Lee concessions and such-like. Why did not they postpone the Lee concessions and undertake these schemes and give effect to them? (Hear, hear.) Sir, I do not wish to go into the other questions dealt with by the Honourable the Finance Member. My friend, Mr. Mody, said that the time is not yet for labour measures and he said that the Government of India have passed as many as six labour Acts during the last ten years.

Mr. H. P. Mody: And amended twelve.

Mr. N. M. Joshi: Now, how many Acts did the Government of India pass for the protection of the industry? He did not reply to that.

Mr. K. Ahmed: And how much bounty has been paid to them?

Mr. N. M. Joshi: As regards labour legislation, the position is this. If the country is prepared for industrialisation, the country is equally prepared for labour legislation. Sir, the world has suffered on account of the fact that it has had industrialisation first and then it tried to pass labour legislations a century afterwards. Mr. Deputy President, in the case of people, who lived in the eighteenth and the beginning of the nineteenth century, there may have been some reason for making the mistake of effecting industrialisation without passing labour legislation simultaneously, because they had no experience to go by. But certainly there is no reason why Mr. Mody should ask us to make another mistake. We have now before us the whole experience of the world that, if you industrialise without taking sufficient care to avoid the evils of industrialisation, the removal of those evils will cost you much more and will take a much longer time. I am not, therefore, prepared to wait any longer. I believe, Sir, that we should go on with our labour legislation as we go on with our industrialisation simultaneously.

Then, Sir, coming to the Honourable Member in charge of the Department of Industries and Labour, he said that there was no hope of the All-India Federation of the Government Employees Associations being recognised, on the ground that they were not a homogeneous class. But how can there be a Federation of Associations of different classes of Government employees which is homogenous? It is an impossible thing, if Government expect that all the Associations taken together will be homogeneous. Either they are placing before us an impossible task or

they are ignoring the fact that, in spite of differences, these organisations are homogeneous. They are homogeneous in this sense that all rules regarding pension, leave and other matters are common to them all. The Federation of all these Associations is a homogeneous body for this purpose. Therefore, there is nothing wrong in their recognising this body and the rules are not, in my judgment, violated by the recognition.

Then, Sir, the Honourable Member gave some reply as regards the condition of the postal employees which, though not quite satisfactory, certainly gave something for these postal employees and removed their complaints to some extent at least. He also said that the registration of trade unions of Government employees was a provincial subject. My recollection is that it is the Government of India that issued a circular to all provinces and even to some Registrars of Trade Unions that the Associations of Government servants should not be registered. As a matter of fact, I remember, while hearing evidence at Lahore as a member of the Royal Commission, the Director of Industries at Lahore who was the Registrar of Trade Unions stated in his evidence that he did not register the Trade Union of Government employees, because he was asked not to.

Mr. A. G. Clow: (Government of India: Nominated Official): By whom?

Mr. N. M. Joshi: If the Registrar in Bombay refuses to register, if the Registrar in Lahore refuses to register, if Registrars in other provinces refuse to register Trade Unions of Government servants, certainly there must be an order from Government, which is the Central Government.

Mr. A. G. Clow: Sir, may I say that to the best of my recollection the Central Government never issued such an order? Registration is of course a statutory right which any union can claim by application to the Registrar. I think the Government of India did issue a circular suggesting to Associations of Government servants that they need not apply for registration. That is quite a different matter, but, so far as I know, they have never issued any instructions to Registrars.

Mr. N. M. Joshi: Well, Sir, I quite realise that registration is a right given by statute and it is on account of that fact that we could insist and compel the Registrar in Bombay to register the Union of Government servants; when he was told that the matter would be taken to the High Court, he registered the Trade Union in Bombay. But, Sir, I do not wish to dwell on that point. We know that we have a right to get Unions registered. That is given to us by the statute and even Government circulars cannot take away that right.

Then, Sir, as regards the question of maternity benefit legislation, the Honourable Member said that the Royal Commission had stated that there should be legislation throughout the country, but it did not state that there should be all-India legislation. My own view, Sir, is that if there is to be legislation throughout the country, it is a much better plan that there should be legislation passed by the Central Government instead of expecting every province to pass separate legislation.

Then, Sir, coming to the general question with which the Honourable Member dealt, namely, the position of Government as regards labour legislation, he said that the power of Government to impose legislation upon the country is limited. I thought it was not limited, when we consider the kind of legislation which Government passed at the last Simla

[Mr. N. M. Joshi.]

Session and even at the last Session at Delhi. I thought they had power to pass any legislation against the whole country, and I wonder why the Honourable Member in charge of the Department of Industries and Labour should be so modest and say that he has not got sufficient power to pass a small legislation for benefiting the working classes in this country.

Sir, the Honourable Member suggested that I should give a little more attention to find fault with ourselves and indulge in a little introspection instead of spending my time in finding fault with Government. Sir, I assure the Honourable Member that I do spend some time in considering our position. I am not one of those people who think that we have no faults. At least I see that there are many faults in me. I also realise that our position is weak and that we could improve the trade union movement, still I feel that while we improve ourselves, there is nothing wrong if we try to improve Government.

Sir, I have finished and I leave my motion in the hands of the House.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That the demand under the head 'Department of Industries and Labour' be reduced by Rs. 100."

The motion was negatived.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 4,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Department of Industries and Labour'."

The motion was adopted.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Tomorrow morning the House will resume consideration of the second stage with a discussion on Demand No. 18—Salt and the other demands, except those that have been disposed of in the order in which they appear on the order paper.

The Assembly then adjourned till Eleven of the Clock on Friday, the 10th March, 1933.

LEGISLATIVE ASSEMBLY.

Friday, 10th March, 1933.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

STATEMENT OF BUSINESS.

The Honourable Sir Brojendra Mitter (Leader of the House): Mr. Deputy President, with your permission, I wish to make the usual forecast of Government business for next week. On Monday, motions will be made for the election of Members to the Standing Finance Committee and the Public Accounts Committee. On Tuesday, as Honourable Members already know, the election of the President will be held. During the week Government will introduce the following Bills:

- (1) A Bill to amend the Cotton Textile Industry (Protection) Act, 1930. This Bill will extend the operation of the Act for a period of seven months.
- (2) A Bill to supplement the Indian Tariff (Ottawa Trade Agreement) Amendment Act, 1932. The purpose of this Bill is merely to remove certain discrepancies and anomalies in the Act which have appeared as a result of experience and further examination.
- (3) A Bill to supplement the provisions of the Bengal Public Security Act, 1932, the Bihar and Orissa Public Safety Act, 1933, the Bombay Special (Emergency) Powers Act, 1932, the United Provinces Special Powers Act, 1932, and the Punjab Criminal Law (Amendment) Act, 1932, for certain purposes. This Bill will be on the lines of the Bengal Criminal Law Amendment (Supplementary) Act, 1932.

The chief legislative business of the week will be the Finance Bill. The Honourable the Finance Member will move on Monday that the Bill be taken into consideration; and as many days as may be necessary will be devoted to its consideration. If there should be time, the Indian Medical Council Bill will be set down for further consideration, and Government will move for the consideration of the Report of the Select Committee on the Workmen's Compensation (Amendment) Bill.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND No. 18—SALT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now resume consideration of the second stage of the General Budget. The motion before the House is:

"That a sum not exceeding Rs. 72,03,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Salt'."

Undesirability of the Continuance of the Salt Tax.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur cum Orissa: Muhammadan): Sir, I move the motion which is in my name, that is:

"That the demand under the head 'Salt' be reduced by Rs. 100."

I will discuss in this connection the salt policy of the Government of India, i.e., the taxation on salt. In this connection, Sir, I will inform the House that at present there are two forms of taxes on salt. One is under the Finance Act, that is, the excise duty and the other is under a separate Act called the Additional Import Duty Act. On the present occasion, I want to draw the attention of the Treasury Benches to the second item, because the first question we can discuss on the Finance Bill. So, I do not take that aspect today. I want to suggest to the Treasury Benches that this tax practically affects Bihar, Bengal and Assam mostly, and so these three provinces are mostly concerned with this taxation on salt. If you will see the history of this Act, you will find that the history of the matter begins with the recommendation of the Indian Taxation Enquiry Committee (1924-1925), which, in paragraph 179 of their report, recorded certain opinions of the lines on which an enquiry might be made with a view to removing the handicaps on the Indian manufacture of salt in the matter of supply of salt to Bengal. The Committee also recorded its opinion that it was desirable that India should be made self-supporting in the matter of salt supply if this could be secured by the granting of a strictly temporary advantage to the local manufacturer and considered that this aspect of the question should be enquired into by the Tariff Board. Then, Government, before sending this matter to the Tariff Board, desired to have the opinion of the Central Board of Revenue, but the Central Board of Revenue concluded that there was no *prima facie* case for such reference

The Honourable Sir George Schuster (Finance Member): Mr. Deputy President, as the time of the House is limited for discussing grants, I would like to remind the Honourable Member and the House that the matter with which the Honourable Member is dealing is bound to come up for discussion in this House in connection with any action which may be proposed as regards additional salt duty. I may inform the House that the Committee of this Assembly, which is considering what action to recommend to the Assembly in regard to this matter has not yet made its final report; but in any case, if the duty is to be continued, it is bound to come before the House, because the present Act expires on the 31st March, 1933. I would suggest, therefore, that a more suitable occasion for considering this matter will be available to this House.

Mr. M. Maswood Ahmad: In this connection I want to draw your attention, Mr. Deputy President, that we want that this Bill should not come before the Assembly at all. I want to suggest that Government should not bring that Act to continue the additional salt duty and that this is the proper time for placing the arguments before them, so that they may not bring that Bill at all and the Committee of the House also may know the opinion of the Members of this side of the House and the opinion of the Local Governments in order that they may decide that there is absolutely no case for continuing that Act. For that reason, I submit, that you will permit me to place my remarks.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Of course the Chair cannot prevent the Honourable Member from raising a discussion

on the desirability of continuing the additional duty or tax if he desires to do so on this particular motion. But, in view of what the Honourable the Finance Member has stated, the Chair would make a suggestion to the Honourable Member and the House. The time of the House is very valuable, and, especially as the result of experience, it has been found that very few of the numerous demands are really discussed in the House. The Act imposing the additional salt duty will come up definitely for consideration before the termination of this Session in Delhi, because the present Act continues only up to the 31st March, 1933. When the Government bring proposals to continue the operation of that Act, it will then be the proper time for the House to discuss whether it will be desirable to do so. In view of this, the Chair would suggest to the Honourable Member whether he would not really be utilising his own time and the time of the House more valuably if he were to pass on to the other motions.

Mr. M. Maswood Ahmad: Mr. Deputy President, I accept your suggestion and bow to your desire, but I will take the time of the House only for five minutes more. I only suggest what we want, and if the Honourable Member says that they are not willing to bring that Act, then the matter will die out. I only want to say that we do not want the continuance of the Additional Import Duty Act. It affects very much my province. Already injustices have several times been done to Bihar. The Bihar Government is opposed to this Act. The Bengal and Assam Governments are opposed to this Act. All the Governments are opposed to this Act, and the Bihar Government has sent a deputation to the Government of India, and the whole of my constituency shares the view of the Bihar Government in this matter that this taxation affects Bihar very much and the effect of this Act is that the price of salt has gone very high; and though a portion of that tax goes to the Bihar Government, it does not help the consumers at all. The consumers pay very much on account of this additional import duty to the Aden millowners and I would suggest that the matter should not be brought before this House later and that either the Act should be repealed or that it should not be further extended.

With these remarks, and, in view of what my Honourable friend, Sir George Schuster, has said, and, as desired by you, I ask the leave of the House to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 72.03,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Salt'."

The motion was adopted.

DEMAND No. 19—OPIUM.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 55.87,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Opium'."

The motion was adopted.

Undesirability of the Continuance of the Salt Tax.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur cum Orissa Muhammadan): Sir, I move the motion which is in my name, that is:

"That the demand under the head 'Salt' be reduced by Rs. 100."

I will discuss in this connection the salt policy of the Government of India, i.e., the taxation on salt. In this connection, Sir, I will inform the House that at present there are two forms of taxes on salt. One is under the Finance Act, that is, the excise duty and the other is under a separate Act called the Additional Import Duty Act. On the present occasion, I want to draw the attention of the Treasury Benches to the second item, because the first question we can discuss on the Finance Bill. So, I do not take that aspect today. I want to suggest to the Treasury Benches that this tax practically affects Bihar, Bengal and Assam mostly, and so these three provinces are mostly concerned with this taxation on salt. If you will see the history of this Act, you will find that the history of the matter begins with the recommendation of the Indian Taxation Enquiry Committee (1924-1925), which, in paragraph 179 of their report, recorded certain opinions of the lines on which an enquiry might be made with a view to removing the handicaps on the Indian manufacture of salt in the matter of supply of salt to Bengal. The Committee also recorded its opinion that it was desirable that India should be made self-supporting in the matter of salt supply if this could be secured by the granting of a strictly temporary advantage to the local manufacturer and considered that this aspect of the question should be enquired into by the Tariff Board. Then, Government, before sending this matter to the Tariff Board, desired to have the opinion of the Central Board of Revenue, but the Central Board of Revenue concluded that there was no *prima facie* case for such reference

The Honourable Sir George Schuster (Finance Member): Mr. Deputy President, as the time of the House is limited for discussing grants, I would like to remind the Honourable Member and the House that the matter with which the Honourable Member is dealing is bound to come up for discussion in this House in connection with any action which may be proposed as regards additional salt duty. I may inform the House that the Committee of this Assembly, which is considering what action to recommend to the Assembly in regard to this matter has not yet made its final report; but in any case, if the duty is to be continued, it is bound to come before the House, because the present Act expires on the 31st March, 1933. I would suggest, therefore, that a more suitable occasion for considering this matter will be available to this House.

Mr. M. Maswood Ahmad: In this connection I want to draw your attention, Mr. Deputy President, that we want that this Bill should not come before the Assembly at all. I want to suggest that Government should not bring that Act to continue the additional salt duty and that this is the proper time for placing the arguments before them, so that they may not bring that Bill at all and the Committee of the House also may know the opinion of the Members of this side of the House and the opinion of the Local Governments in order that they may decide that there is absolutely no case for continuing that Act. For that reason, I submit, that you will permit me to place my remarks.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Of course the Chair cannot prevent the Honourable Member from raising a discussion

on the desirability of continuing the additional duty or tax if he desires to do so on this particular motion. But, in view of what the Honourable the Finance Member has stated, the Chair would make a suggestion to the Honourable Member and the House. The time of the House is very valuable, and, especially as the result of experience, it has been found that very few of the numerous demands are really discussed in the House. The Act imposing the additional salt duty will come up definitely for consideration before the termination of this Session in Delhi, because the present Act continues only up to the 31st March, 1933. When the Government bring proposals to continue the operation of that Act, it will then be the proper time for the House to discuss whether it will be desirable to do so. In view of this, the Chair would suggest to the Honourable Member whether he would not really be utilising his own time and the time of the House more valuably if he were to pass on to the other motions.

Mr. M. Maswood Ahmad: Mr. Deputy President, I accept your suggestion and bow to your desire, but I will take the time of the House only for five minutes more. I only suggest what we want, and if the Honourable Member says that they are not willing to bring that Act, then the matter will die out. I only want to say that we do not want the continuance of the Additional Import Duty Act. It affects very much my province. Already injustices have several times been done to Bihar. The Bihar Government is opposed to this Act. The Bengal and Assam Governments are opposed to this Act. All the Governments are opposed to this Act, and the Bihar Government has sent a deputation to the Government of India, and the whole of my constituency shares the view of the Bihar Government in this matter that this taxation affects Bihar very much and the effect of this Act is that the price of salt has gone very high; and though a portion of that tax goes to the Bihar Government, it does not help the consumers at all. The consumers pay very much on account of this additional import duty to the Aden millowners and I would suggest that the matter should not be brought before this House later and that either the Act should be repealed or that it should not be further extended.

With these remarks, and, in view of what my Honourable friend, Sir George Schuster, has said, and, as desired by you, I ask the leave of the House to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 72,03,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Salt'."

The motion was adopted.

DEMAND No. 19—OPIUM.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 55,87,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Opium'."

The motion was adopted.

DEMAND No. 19A—EXCISE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 4,68,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Excise'."

The motion was adopted.

DEMAND No. 20—STAMPS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 16,43,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Stamps'."

The motion was adopted.

DEMAND No. 21—FOREST.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,11,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Forest'."

The motion was adopted.

DEMAND No. 22—IRRIGATION (INCLUDING WORKING EXPENSES), NAVIGATION, EMBANKMENT AND DRAINAGE WORKS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 3,24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Irrigation (including Working Expenses), Navigation, Embankment and Drainage Works'."

The motion was adopted.

DEMAND No. 23—INDIAN POSTS AND TELEGRAPHS DEPARTMENT (INCLUDING WORKING EXPENSES).

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The motion before the House is:

"That a sum not exceeding Rs. 10,44,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Indian Posts and Telegraphs Department (including Working Expenses)'."

Position of the Posts and Telegraphs Department in Bengal and Assam Circle.

Mr. Muhammad Anwar-ul-Azim (Chittagong Division: Muhammadan Rural): Sir, I beg to move:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100."

It is not my purpose in any way to bring in controversial matters at this belated hour of the budget discussion, but I should like to point out one or two salient facts which have been agitating the minds of my constituency, especially the people of Eastern Bengal. The constituency which I have the honour to represent comprises a fairly large area, about 300 square miles, if not more. We have some big islands also within that area, viz., Hatiya, Sundip, Kutubdiya and Maschal.

I really do not know what guides the policy of Government in this Department at Calcutta in the matter of bringing them in close touch with the remotest parts wherefrom they get lots of revenue. The people in my part of the country go to almost all parts of the world, not excluding America even. They sometimes go to Arabia, Persia, China and Japan; and people and colonists living in those parts have family connections with this part of the Presidency and they have money orders remittances, telegrams and letters written home quite often; and if Government were in a position to tell the House, I am quite certain—I have got some information at my disposal—they would have surely known that the amount of communications I have referred to above is quite a large one. But the very hard part of the whole thing is this: if the postal authorities scan the location of post and telegraph offices in various parts of the country wherefrom these people go, they must have found that in one spot there are quite a number and in other parts there are none. Sometimes it is stated by the Department that perhaps it would not be a paying concern to put these offices in some of the islands of the Bay of Bengal. But my suggestion to them would be whether the people inhabiting those islands are not paying Government in various ways: are they not paying money order fees and are they not paying to the Government in a hundred and one ways? If they are making a contribution to the general revenue in those channels, my submission is that they ought to have facilities in return. Secondly, on a perusal of the postal map of my district, you will find that in a place called Hathazari, 12 miles from the town of Chittagong, you will find about 50 to 60 telegraph offices, whereas if you go south, even five miles, you will not find one telegraph office within a radius of ten square miles. What is this due to? The Department, it seems, in the past had no time to look to any thing else, except squeezing the public in the shape of dear post-cards and postage stamps. They never stir out of their den, and I am of opinion that the inspecting officers have been caring more for their travelling allowance than any thing else. As a matter of fact, if Government in this Department were alive to their duties and responsibilities to the people inhabiting that part, they would have made an effort to redress their grievances. But, as it is, even now it is not too late to mend matters and come to the rescue of the people. A perusal of the map of that district will show that to the south and south eastern parts there are long ranges of hills, and quite a number of people live there. I do not know if the Chittagong

[Mr. Muhammad Anwar-ul-Azim.]

troubles are over, but if in those parts the poor people are looted, Government will not know what is really happening there. In that view of the matter, I think it is to the interest of Government themselves that post and telegraph offices should be properly established at convenient centres in that area and in the Islands I have mentioned above.

Secondly, I think I may also be permitted to say in this connection, though I have stated it in a general way, the position of the Department in Bengal and Assam Circle in some other aspects also. If one happens to go towards the southern side of Assam, I mean the southern extremity of Assam frontier, the position of the post offices there is really miserable,—one will not find a post office even within a radius of 100 miles. Of course, Government know their business best, but I think the people inhabiting that part have clamoured so often to redress their grievances to have more post offices, but so far Government have not paid any heed to them. I, therefore, think, Sir, that Government will be well advised in their own interest to have more post and telegraph offices established to the southern and eastern side of Assam.

About the general review of the Department as a whole in the Bengal and Assam Circle, I have not much to say except perhaps that, in the headquarter offices and in the town sub-offices, at Calcutta, there is a great paucity of Muslims. I had the privilege of interpellating here with regard to the position of Mussalmans in that particular office and in the office of the Post Master and Post Master General at Calcutta and also in the other offices under the same roof, and the reply has been far from satisfactory. I do not like to say more beyond the fact that the representation of Muslims in the Bengal and Assam Circle should be increased, and in that connection I may suggest that Government will do well to adopt the policy that has been followed by the Government of Bengal, because it will not be possible even with the help of an aeroplane to engraft people from Peshawar or Lahore to man the offices in Calcutta. Therefore, I suggest that the Government of India should adopt the policy which the Government of Bengal have followed in the matter of recruitment of the Mussalmans, who are more than 56 per cent. of the whole population. Muslims do not want favours, but mere justice.

Certain friends of mine in Calcutta and Dacca told me that if Government could devise a scheme so as to separate the postal side from the telegraph side, so far as the Assam and Bengal Circle was concerned, it will be an ideal proposition even from a commercial standpoint. I do not know if that question is being considered by Government, but I think that is a matter worth looking into, because it seems to me that the telegraph side everywhere in the Bengal and Assam Circle is overmanned, and I do not think it will tell on efficiency, if a certain amount of staff is reduced from those who are over represented.

In this connection I think I might be permitted to refer to another matter, because I shall be saved from moving some other cuts standing in my name. The postal association, with which I am intimately connected, both here and in Calcutta, have written to the authorities suggesting that it would be desirable to spread the postal services in the villages also in order to give facilities to the people, and it seems to me that the department have been indifferent to this matter. If anybody cares to go into the villages, he will find that a post office is in charge of a man

who is generally paid Rs. five or Rs. six with a full fledged peon who is allowed to get Rs. 20 to Rs. 30. So the result is, expenses do not pay, and a post office cannot prosper in a village; and thus people cannot benefit in the least. My suggestion, therefore, is this, that some method should be devised by which the lower paid staff of some kind could be sent over to the villages to help the departmental agents, and this agency will then become more popular and stayable.

There are one or two other matters which have been brought to the notice of the association with which we are connected. One is the position of the staff officers of these departments. Before the Retrenchment Committee reported on the working of this Department, the Superintendents of Post Offices were first class officers. I think they are not considered so now. Now, a Superintendent of Post Offices has an area to supervise almost equal to the area which is generally under a Commissioner of a Division, and, therefore, if these Superintendents are degraded in the matter of their travelling and other allowances, I do not know with what eye the public will look upon the Department as a whole. My submission in that connection is that the Department should devise some means to raise the status of their own officers. The Department is one of the most important in the civil administration of India. They have worked well in the past, and they should not go down in public estimation under any circumstances. With these few remarks, I commend my motion for the consideration of the House.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

“That the demand under the head ‘Indian Posts and Telegraphs Department (including Working Expenses)’ be reduced by Rs. 100.”

Sir Thomas Ryan (Director General of Posts and Telegraphs): Sir, I regret very much that I was absent from the House when the Honourable Member opened his remarks, but I do not think that I have missed very much of what he said. I think he opened his remarks with a general complaint that the Posts and Telegraphs Department is not serving the Bengal province sufficiently, and that it has not extended its operations and its post offices throughout the Circle so as to give the public the service which they reasonably expect.

I think it is within the recollection of Members of this House that for several years past, it has been the avowed policy of the Government to extend the postal operations in the rural areas, and from time to time in recent years statistics have been placed before this House, and they have also been included in the annual reports, showing the very large number of new offices opened experimentally or as permanent additions to the postal system throughout the country. I have not got at the moment available separate statistics of this action relating to Bengal, but I am sure that the Bengal and Assam Circle shared fully in those measures. Unfortunately in the past couple of years, owing to financial difficulties, it has undoubtedly been necessary to slow down in that direction, although even now our efforts are not completely stopped. I can assure the Honourable Member that, in view of what he has said, I shall make a special examination of the present position in this respect in the Bengal Circle, and that where consistently with the financial position of the Department we can see reasonable opportunities of extending our operations and having more offices we shall endeavour to do so, but I cannot promise that there will be a very great advance in the immediate future in

[Sir Thomas Ryan.]

view of the existing unsatisfactory condition of the Department as a whole. There is, however, one method which I think the Honourable Member has hinted at—I am not quite sure that I caught all he said on the point—by which perhaps we may be able to make some advance to meet him. It has long been the policy of the Department where a small office would not pay for itself, if manned by Government servants paid on the regular scale, to employ what are called extra departmental agents, local school masters or other people who, for a small allowance, are willing to do a certain amount of postal work. In that way we have a great many branch post offices which are run very cheaply. Similar arrangements have also been in force, but not very extensively, for improving the delivery arrangements in various parts of the country without incurring heavy expense and people have been employed in certain cases on small allowances, not as regular full-fledged Government servants

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): What will happen at the time of the General Election when lots of pamphlets will have to be distributed to the electors during the elections to the Provincial Councils and the Legislative Assembly?

An Honourable Member Is the Honourable Member singing or speaking?

Sir Thomas Ryan: It is our policy and we have decided to extend further this system of increasing the delivery facilities and, I am sure, that the pamphlets which my Honourable friend, Mr. Kabeer ud-Din Ahmed, is thinking of will be dealt with satisfactorily. We will certainly endeavour to increase, as far as our financial position allows our doing so, by the adoption of this particularly economical method, the delivery facilities and the facilities for collecting letters in the rural areas. As regards the telegraph system, it is not quite so easy to increase facilities without incurring additional expense as it generally means putting up lines and employing relatively high paid staff, for you cannot expect untrained people to work telegraph instruments. We will see how far we can go. We have every desire to give the service the country demands, consistently with our financial limitations.

I think the Honourable Member then turned to the question of inadequate employment of Muslims in offices in the Bengal Circle. I did not catch precisely what he said, but I think that was the gist of his remarks. As to that the figures relating to various offices, which have frequently been given in replies to questions asked in the Assembly, show I think that the existing representation of the minority communities in general and of the Muslim community in particular is generally somewhat on the low side. But, as has also been explained in reply to some Honourable Members' questions, this is the result of recruitment carried on over a great many past years, and it is only in recent years that Government have been acting on a definite rule as regards the recruitment of minority communities. Sufficient time has not yet passed for those recruitment regulations to have produced their full effect. It is bound to be gradual, but I can assure the Honourable Member and the House that every effort is being made, and has been made in recent years, to ensure the most scrupulous observance of the Government orders regarding the recruitment of minority communities. I am aware from the large number of questions asked on this subject

with reference to particular cadres or offices that my Honourable friends of the Muslim community are somewhat sceptical on this point. I think it possible in a very large department like the Posts and Telegraphs where reliance has to be placed on a very large number of people that there is room for occasional failure to carry out the Government's instructions, although I am quite sure that such failures are by no means widespread. But anyhow to make it absolutely certain that there is no failure in this respect I have recently arranged for the annual supply by every Head of Circle of a detailed statement showing for every individual cadre for which direct recruitment is made the precise manner in which every vacancy is filled. With those statements before me it will be possible to detect any failure in carrying out the orders of the Government of India on this subject. Honourable Members can, therefore, rest assured that, whatever may be said of the present position which is the result of past recruitment, the orders which Government have issued on the subject, or any revised orders which they may issue from time to time, cannot possibly be overlooked or ignored by any recruiting officer under my control. It would be outside my province to say anything about changes in the recruitment orders which the Government may be considering. The Honourable Member knows that the matter is at present engaging the attention of the Government, but whatever the Government orders may be, they will undoubtedly be carried out by my staff.

I did not entirely understand the object with which my Honourable friend suggested that the postal and telegraph sides of the Department should be separated. In the whole of India there are at present only 100 telegraph offices which are confined exclusively to telegraph work. They are the principal telegraph offices in the main centres. For the great bulk of our telegraph work we have to rely upon the post offices, a very large number of which are, what are called, combined post and telegraph offices. It would be quite impracticable and extremely uneconomical to make an actual separation of the staff who can do and are doing postal and telegraph work. I think possibly my Honourable friend's remarks have been inspired by some misconception as to the actual division of the receipts of the postal and telegraph sides. In the general debate on the Budget, Mr. Lahiri Chaudhury referred to the division of the postal and telegraph receipts as being made on an arbitrary basis. If that is what the Honourable Member has in mind, I can assure him that the impression is entirely mistaken. Postal and telegraph receipts for the most part are separately accounted under the heads to which they relate. It is, however, true that a large volume of the inland telegraph business is paid for by postage stamps the sale proceeds of which are in the first instance compiled to a single head. But the question of working out the share which should go to the telegraph side and the share which should go to the postal side has engaged our most careful attention, and we have now in operation a system of working out the division which was recommended for our adoption by a post and telegraph expert who visited India some years ago from the British Post Office and with whom these matters were very fully discussed. I hope I am not wearying the House, but I might explain briefly that the volume of business is so large that it is impracticable without excessive expense to keep a separate account of every item of business done, but for two typical fortnightly periods of each year, the actual telegraph business is recorded in full detail and from the statistics so arrived at the average value of a telegram is deduced, and that average value of a telegram is applied to the total number of telegrams paid for

[Sir Thomas Ryan.]

by stamps in a year, the total inland telegraph share of the stamps receipts is worked out in this way. I have been examining, in consultation with my Financial Adviser, the statistics so arrived at, over a series of years, and they show a very reasonable degree of consistency from which, I think, I may fairly infer that the results arrived at are quite reliable. I may say that the whole matter was investigated by a very experienced officer of the Finance Department, Mr. A. C. Badenoch, a few years ago. He was then Accountant General, Railways, and after examining the system in detail, he recorded the opinion that it produces as satisfactory a division of postal and telegraph receipts as can reasonably be hoped for.

I think also the Honourable Member suggested that the Telegraph Branch is over-manned. I am not sure whether I heard him correctly. If that is the case, I may say that it is a fact that telegraph business and revenue have been declining in recent years and it is also the case that the reduction of the staff did not keep pace for some time with that reduction. That was due to a great many reasons, the principal one of which was the fact that we are here dealing with a highly trained technical staff and it was not thought desirable to reduce the staff immediately as we entertained hopes that the traffic would recover. Towards the end of last year, however, when it became apparent that the fall was continuing and that we had no very strong grounds for expecting that there would be an early recovery, I placed the whole position before the Government of India who agreed that we could no longer hold our hand and that we must carry out as extensive, ruthless if you like, retrenchment in respect of the telegraph staff as we were already doing in the case of the postal staff.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): On a point of order. I understand Mr. Anwar-ul-Azim's motion is to discuss the position of the department in Bengal and Assam Circle, but the Director General of Posts and Telegraphs is now dealing with the big issue about the postal accounts and telegraph accounts. I have a motion No. 97 dealing with that question. I should like to know whether I shall be precluded from moving my motion if incidentally the Director General deals with this question. Mr. Anwar-ul-Azim moved his motion only with reference to the Bengal and Assam Circle and incidentally he might have referred to this apportionment of accounts.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The fact that the Director General pleases to give a wider answer to a particular Member will not preclude another Honourable Member from moving his motion.

Sir Thomas Ryan: It is difficult for me not to make my answer rather wide, while dealing with such a matter, because the question raised by this motion, though it refers to the Bengal and Assam Circle, has really a general application. However, I shall say no more on this point at the moment in view of the probability that I shall have an opportunity of speaking further on it when replying to my friend, Mr. Mitra.

The Honourable Member, towards the end of his remarks, reverted to the question of extending the Postal and Telegraph service in Bengal and Assam. I can assure him that we are anxious to extend the service in Bengal and Assam, as elsewhere, to the utmost extent consistent with the

present position and prospects of the Posts and Telegraphs Department. I will undertake to examine the particular case of Bengal and Assam and the particular difficulties to which he has drawn attention, and, though I do not admit that the Circle has not received its fair share of our attention in the past, I can certainly assure him that it will receive at least as fair a share in the future as other Circles. I doubt if there are any other observations made by the Honourable Member to which it is necessary for me to make a special reference now.

Mr. Muhammad Anwar-ul-Azim: I have listened with very great interest to the remarks of the Director General. I do not think I need say anything more. Our business is to call the attention of the Department to the various points which call for attention and, in view of the assurances that the matters will be looked into, I beg leave to withdraw my motion, and I will not press this to a division.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion No. 86, by Mr. Thampan. In spite of the repeated rulings given in the past by the Chair about the nature of these cut motions, it appears that the Honourable Member seeks to reduce this demand to rupee one. That cut motion is entirely out of order and, if the Honourable Member would say that he gave it under a misapprehension, the Chair would be prepared to allow him to correct it.

Grant of Special Allowance to the Postal Subordinates employed in the Wynad-Malabar.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): I want that the amount be reduced, only by Rupee 1, and not to Rupee 1. That was my intention.

Sir, I move:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rupee 1."

Wynad is a highly malarial and unhealthy hilly tract. Cost of things are nearly double their price in the plains on account of the heavy conveyance charges uphill. Good water cannot be had everywhere and, therefore, special water carriers have to be engaged. Mosquito nets, warm clothing, healthy quarters and diet are indispensable to protect oneself against malaria and pneumonia. The ordinary pay is insufficient for these purposes and so the Local Government are granting a special allowance to their employees. They have got their own scale of allowance which is Rs. 50 for Police Inspectors, Tahsildars and P. W. D. Supervisors and Rs. 40 for Sub-Inspectors of Police, Sub-Registrars and clerks getting Rs. 80 and above. The special allowance for subordinates is graduated and ranges from half the salary to a maximum of Rs. 40. The Postal Department grants Rs. 10 to sub-postmasters and clerks and absolutely nothing to postmen and runners, etc., who have to do their duties practically in the open exposed to the full brunt of Wynad climate. One must see the Wynads to have an idea of the horrors which the postmen, messengers and runners have to face. Impenetrable forests, with wild animals such as tigers, bears and elephants, impassable hill ravines and

[Mr. K. P. Thampan.]

mountain streams with swamps full of malarial mosquitoes everywhere interpose between the different plantations through which they have to go daily in the discharge of their duties. While these poor men are denied any allowance, the Department has been paying the telegraph linemen 50 per cent. of his pay as allowance which is more than what a sub-postmaster drawing Rs. 135 gets. In addition, he is paid Rs. 2 as house-rent allowance.

In the Wynad no houses are available as the plantations consist entirely of coolies who have their own cooly lines constructed by their employers. Thus the low-paid men, not being provided with quarters, are forced to live in thatched huts with walls of flattened bamboos. My Honourable friend, Sir Frank Noyce, who has served in Malabar for a long time, knows the Wynad very well and I need not labour this point. Sir, as a result of the agitation carried on for the past several years, the Government, it would seem, allotted in 1927 or 1928 a sum of about Rs. 66,000 for the grant of such allowances to the officials who serve in unhealthy tracts in the Madras Presidency. Out of this allotment, though the employees of the Telegraph Department including linemen are paid 50 per cent. of their pay as allowance besides house-rent, nothing is paid to similar officials, such as postmen, mail peons, packers, etc., of the Postal Department, though the former and the latter are under the same Departmental head. There is an honest belief among postal workers that the major income is earned by them and the deficit in the working of the Department is due to extravagance on the telegraph side; and as such, the partiality shown towards the latter naturally fill them with grief and despair. Sir, I may point out as a concrete instance that the telegraph lineman in the Wynad whose pay is Rs. 18 to Rs. 38 (just like that of a postman) is granted 50 per cent. of his pay as special allowance besides Rs. 2 house-rent, while a postman in the same locality, who works side by side with the lineman, gets absolutely nothing except his pay. Is that not, I ask, very hard? Similar partiality towards the telegraph side and the step-motherly attitude towards the postal side will be evident from the way in which the recommendations of the Postal Retrenchment Committee have been carried out. Sir, it is not my purpose today to criticise the anomalous and invidious distinction that exists between the Postal and the Telegraph Departments in respect of the services under them. This grievance should be redressed. I shall conclude by saying that it is not a piece of generosity or charity that is demanded to be shown to the poor and low paid subordinates of the Postal Department in the Wynad, but it is a matter of imperative necessity for sheer existence there and my object is to impress upon the Department the fact that in the interest of efficient work and service it is highly necessary that some thing should be done to this class of men. I have seen the place myself and know the difficulties and it is my belief that it is long overdue. I hope my appeal will not be in vain. I commend this motion for the acceptance of the House.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rupee 1."

Sir Thomas Ryan: Sir, some few years ago, the question of the principle on which local and compensatory allowances should be given to members of the Postal and Telegraph staff employed in unhealthy or very expensive places was gone into at some length, and the Government of India adopted as a general rule the principle that we should be guided, as nearly as circumstances may admit, by the practice of the Local Governments in respect of their servants in the same localities. The Posts and Telegraphs Department then undertook a review of the actual scale of existing allowances given in various places to its staff with a view to revising them,—increasing them in some cases or reducing them in others—in accordance with the policy, just mentioned, of bringing them as nearly as possible on to the level of the Local Government's servants. This process was carried out in the first instance in respect of Burma and, in the second place, in respect of Sind and Baluchistan, where it has been extended, I think, to all the places in which the Local Governments give allowances. We would have continued this process in other parts of India—which is a very large matter as a great many places are involved—were it not for the same reason that I have already mentioned, namely, financial difficulty, because this would generally involve considerable increases of expenditure. We did, however, treat specially one or two special cases on the frontier. The case of the Wynads has been represented very forcibly by the Honourable Member, and not long ago he wrote personally to me on the subject, and I also have been in correspondence on this subject with the Post Master General, Madras,—who, I may say, is inclined to favour the adoption of the same course as the Honourable Member recommends. Well, at first we felt that although the case might be a good one on its intrinsic merits, it would involve us in considerable difficulty to extend to this particular case this special treatment that is recommended, as it would open the door naturally to similar demands in respect of a great many other places in respect of all of which we might be equally sympathetic, but in which we could not meet the extra cost.

Mr. K. P. Thampan: May I know what amount of expenditure would be involved in order to pay these allowances?

Sir Thomas Ryan: I am just coming to this point. I have been in correspondence with the Post Master General on the subject and there are indications that if we were to adopt the Local Government's system and apply it as closely as practicable to our people, the result might be that we would have to reduce the allowance granted to some of our people and would have to increase the allowances to others or to give allowances in the case of some men who do not get them at all. I have been in consultation with the financial authorities and they have agreed that if, on a detailed examination of the matter, it is found that the total net expenditure is not large, they will agree to extend the Madras Government's system to the postal and telegraph officials at the Wynads; that is to say, if it is found, on a more detailed examination than has been made, that it is not going to cost a large sum of money, we shall fall in with the Honourable Member's wishes. I cannot give an absolute promise, because I do not know what the cost will be; but I shall do my best to fall in with the recommendation made by my Honourable friend, Mr. Thampan, if the financial effect of the measure is not great.

Mr. K. P. Thampan: Sir, I am very glad to hear that the Government are satisfied with the merits and have also realized the importance of this matter, and in view of the sympathetic assurance given by my Honourable friend, Sir Thomas Ryan, there is no need to press my motion. I beg leave of the House, therefore, to withdraw it.

The motion was, by leave of the Assembly, withdrawn.

Mr. M. Maswood Ahmad: Sir, as the Government are going to make an announcement shortly regarding definite percentage for Muslim representation in the services, I do not want to move amendment No. 87* which stands in my name.

Policy of the Indian Posts and Telegraphs Department.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): Sir, I beg to move:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100."

Sir, it is my painful duty today to rise to discuss the retrenchment policy of the Government first of all. Sir, during our debates in the year 1931 this policy of the Government with regard to retrenchment was frequently debated in this House and at very great length. Our objection then was and even today is that the Department is still very topheavy, and what we have been condemning is that there is a great concentration of the retrenchment process in the lower ranks while leaving the appointments in the higher ranks absolutely and entirely untouched. That policy did not produce any salutary effect on the angle of vision of Government as I find from the results of the so-called economy campaign pursued in the Posts and Telegraphs Department.

According to Sir Thomas Ryan's reply to Mr. S. C. Mitra's unstarred question No. 230, the total number of posts of officers ranks including Superintendents and gazetted postmasters before initiation of the retrenchment measures was 574 and the total pay and allowances they carried was approximately Rs. 48,22,000 a year. Out of this number 65 posts have been abolished up to date effecting a saving of about Rs. 5,43,000. From his reply to Mr. Mitra's unstarred question No. 231, however, it appears that 33 out of a total of 65 such appointments abolished were all in the Superintendent's cadre and the saving effected therefrom is Rs. 1,89,378. The number of higher appointments brought under reduction above the Superintendent's cadre appears to be quite a few, viz., the posts of one Deputy Director-General, one Controller of Telegraph Traffic, one Deputy Chief Engineer and one Deputy Post Master General, Telegraph Traffic. The posts of Assistant Directors-General have been abolished, but resurrected in the shape of Assistant Deputy Directors-General. If proper efforts had been made, it would have been easily possible to effect considerable economy by doing away with a number of other such higher appointments specially in the rank of Deputy Post Masters-General on the postal side

*"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100 (Paucity of Muslims in the service)."

whose number is plethoric. On a comparison of the Budget figures with those for the year 1931-32, I find that expenditure has been curtailed to a certain extent under all heads with the exception of the Telegraph Engineering where the expenditure, instead of any decrease, has increased. This shows, Sir, that there has been absolutely no retrenchment in this branch. While amalgamating the Post Office with the Telegraphs, the Government gave the people to understand that the chief object of the amalgamation was to effect economy of expenditure in the Telegraph Branch. In actual effect, however, we find that the expenditure, specially in the Telegraph Engineering Branch, has gone on increasing since amalgamation, due to the increase in the number of Engineering offices year after year. It is a melancholy fact that even in these days of financial crisis Government have not made any efforts to curtail extravagance in this branch and have not touched a single higher appointment there. While, however, the Government have thus left these fruitful sources of economy almost untouched, they have allowed the retrenchment of 6,157 lower rank appointments, viz., 3,289 time-scale clerical appointments and 2,868 postmen's appointments in the Post Office and R. M. S. It is high time that Government should now direct their retrenchment measures to gazetted appointments both in the Post Office and Telegraphs, and I suggest that 25 per cent. of such appointments should, without delay, be brought under reduction.

Sir, there has been a long-standing complaint which has been repeatedly voiced by non-official Members in the Assembly that Government have treated the Telegraph Branch as their favourites. From the results of the so-called economy campaign in these two branches, it appears to me that the complaint is not altogether unjustified. The Posts and Telegraphs Retrenchment Advisory Sub-Committee appointed by Government themselves under the Chairmanship of my Honourable friend, Sir Cowasji Jehangir, found after a careful inquiry that altogether 228 appointments of telegraphists were in excess of requirements and recommended that immediate steps should be taken for absorbing this surplus. They similarly recommended 140 appointments of Telegraph Masters for abolition or absorption. But the number abolished up to October, 1932, was only 184 telegraphists' appointments and only 48 Telegraph Masters' appointments. While, however, Government have given only partial effect to the definite and well-considered recommendations of the Committee in respect of the surplus and superfluous appointments in the Telegraph Branch, they have brought under reduction up to 31st August, 1932, 137 selection grade appointments in the Post Office and R. M. S. although the Retrenchment Committee did not recommend a single appointment in these cadres to be retrenched. The percentage of selection grade supervisory appointments in the Post Office, I am told, is barely six in the Post Office and still less in the R. M. S. From the reply given by Sir Thomas Ryan to Mr. S. C. Mitra's unstarred questions No. 232 and No. 233, it appears that before initiation of the retrenchment measures the number of Telegraph Masters' appointments was 326 and that of Deputy Superintendents, Telegraph Traffic, was 51 as against a total of 2,830 telegraphists' appointments. Out of these numbers only 48 Telegraph Masters' appointments and only one Deputy Superintendent's appointment and 184 telegraphists' appointments have been brought under reduction. The total number of appointments of Telegraph Masters and Deputy Superintendents, taken together, which are the

[Mr. Muhammad Azhar Ali.]

selection grade appointments in the Telegraph Traffic Branch, therefore, is at present 328 as against 2,646 telegraphists' appointments. These figures work out to over 12.4 selection grade appointments in the Telegraph Traffic Branch. These figures sufficiently explain why the Posts and Telegraphs Retrenchment Sub-Committee did not think it advisable at all to reduce the number of selection grade posts in the Post Office and R. M. S. as the number is admittedly very limited and incapable of further curtailment without causing serious deterioration of efficiency, while they made definite recommendations for reduction in the plethora number of such appointments in the Telegraph Traffic Branch. Considering the tremendous amount of monetary transaction done in the Post Office, the huge amounts of cash which the subordinate staff in the Post Office and R. M. S. have to handle every day, it is desirable from the public point of view that there should be a larger percentage of selection grade supervisory appointments there so that the right type of men with requisite experience and merit should constantly supervise and scrutinise the work of the subordinate staff to prevent any fraud or loss. The public cannot, therefore, view this drastic retrenchment in these appointments either with equanimity or approval. It will certainly be known to Honourable Members that a great amount of confidence is placed in these subordinate post office people; they have cash to handle and sometimes costly jewellery in their custody and their claims to higher appointments should be favourably considered by Government. But this drastic retrenchment will certainly disturb the faith of the public in the security of their money and properties in the custody of the Post Office and affect the regularity and clockwork punctuality of the service.

One fails to understand how the number of Telegraph Masters and Deputy Superintendent's appointments swelled up to such a high figure. Their number is capable of drastic curtailment considering the mechanical nature of the work comparatively free from monetary responsibilities done in the Telegraph Traffic Branch. The retrenchment policy of Government in the Posts and Telegraphs Department, therefore, is not only unintelligible in the extreme, but is also contrary to public opinion. It surely savours of unjustifiable differential treatment. Government appear to justify the retrenchment of a large number of operative posts in the Post Office and R. M. S. on the plea of fall of traffic. If there has been a fall of postal traffic, there has surely been a fall likewise in telegraph traffic. It is, therefore, incomprehensible why no attempts are being made to retrench the staff of telegraphists on this same principle.

It appears from Sir Thomas Ryan's reply to Mr. S. C. Mitra's unstarred question No. 238 that within a short time 286 departmental sub-offices and 390 departmental branch offices have been converted into extra departmental offices and have been placed under the charge of part time and cheaply paid employees called extra-departmental-agents. I understand that the services of postal servants who were retired due to old age are being utilised for this purpose. This is neither just to these old and spent up men nor to the public whom they are expected to serve. The conversion of departmental offices into extra-departmental ones is being effected without any fixed criterion and merely to effect economy. This is rather strange and the public have strong reasons to condemn this indiscriminate process of retrenchment as it means curtailment of postal facilities hitherto enjoyed by the localities served by these offices. The

Telegraph Retrenchment Committee under the Chairmanship of Mr. (now Sir) T. Ryan had strongly recommended that quite a large number of Departmental Telegraph Offices could easily be converted into combined offices, as a measure of economy, without causing any deterioration of efficiency or inconvenience to the public and it is difficult to comprehend why this fruitful measure of economy is not being pushed through, especially in view of the present financial crisis.

Sir, then I come to the case of the poor Inspectors of Post Offices and the R. M. S. and Superintendents and Head Clerks. As to these two appointments, i.e., Inspectors of Post Offices and Head Clerks of Superintendents of Post Offices, every one knows that they are the pick and pivot of efficiency of the whole services. Every one of us knows what services these lower staff of the Post Offices render to the public. These Inspectors and Head Clerks have also to pass a departmental examination, which, in many respects, I am told, is even stiffer than the examination prescribed for Superintendents. Now, the multifarious duties and responsibilities which these people have to perform are most onerous, and the Inspectors of Post Offices and R. M. S. are vested with even no powers at all. They are required to be thoroughly acquainted with the rules, with the character and abilities of their subordinates so as to be able to efficiently supervise their work and keep them under control. They have also to tour all round the year even during the moussoons, during which period, I am sure, other officers of other departments have not to do that duty of travelling and touring. Considering this difficulty and considering their pay and emoluments, it is very strange that their claims are not so very much recognised and they are not considered fit enough to be given good emoluments or good allowances. They are practically in charge of the Division at least for six months when the Superintendent is on tour. It is only with a view to removing their long standing grievances and disabilities that I am asking the Department today to improve their conditions and to look to their grievances. Their grievances are, as I have numbered them, four: the first is about their retrenchment in number, the second, they have no good concessions in travelling allowance, thirdly, the delegation of powers to Superintendents to impose on them all penalties except only dismissal and removal from service, and the fourth, the curtailment of their right of appeal in respect of these penalties, except only to the head of the Circle. This has added to a great extent insult to injury.

Sir, I remember that, in reply to an interpellation put in the Council of State by the Honourable Mr. G. S. Khaparde, the Government were pleased to state that there was a rule that an Inspector's sub-division should not ordinarily consist of more than 40 offices. Due to the remarkable increase in the number of post offices since the rule was framed, this became a dead letter and it will hardly be an exaggeration to say that on an average the Inspector's sub-divisions generally comprise more than 70 offices. From all this it will appear that the Inspectors and Head Clerks of Superintendents are very much at a loss in the performance of their duties. They find it very difficult to perform their duties and they are also handicapped by different kinds of difficulties.

Again, Sir, on account of devolution of duties and enlargement of powers of Inspectors of Post Offices, as a result of Booth Committee's recommendations, their correspondence and clerical work has enormously increased. The Inspector has to deal with about 9,000 references per year,

[Mr. Muhammad Azhar Ali.]

i.e., about 30 references per day. In addition, he has to attend to telegrams received and despatched, prepare indents in duplicate, issue about 30 leave and appointment orders in a month, prepare combined maps, beat-maps and route lists and village sorting lists of all sub and branch offices, to examine B. O. abstracts and half yearly village returns, maintain register of complaints, punishment register, to deal with about 60 complaints in a year, and to prepare notices of hours of business. He has to issue reminders to sub and branch postmasters, maintain circular files and paste correction slips to Posts and Telegraphs Manuals and other books of reference. He has to translate all English references from the Superintendent and other offices to Branch Postmasters into vernacular and references from Branch Postmasters to the Superintendent into English. He has also to carry on correspondence for getting the letter-boxes in his sub-division painted and prepares travelling allowance bills for menials and his sub-divisions, to count forms and prepare schedules and other weekly, monthly, annual and special statements which are numerous. He has also to enter all references in the correspondence register and prepare cover for them. All this he has to do himself without any clerical assistance in addition to his touring and inspection work. It has, therefore, become almost impossible for him to do it satisfactorily. The various duties of these people, which I have laid before you, are themselves a proof to show that it is impossible for a literate man or for a very very intelligent man even to perform. I think it is a very hard case for all these poor people and I trust that the Department will look to these inconveniences, these difficult duties that the man has to perform, which are very colossal, very difficult and so various that it would be absolutely impossible for even an officer, who gets Rs. 4,000 or Rs. 3,000, to work as these poor people have to work.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member's time is up.

Mr. Muhammad Azhar Ali: I have done. There is only one point I wish to refer to and it is this: these Inspectors of Post Offices, in consideration of the special hardship which I have just related, used to enjoy special concessions as second class officers, irrespective of their pay, for the purposes of travelling allowance. Under the decision of the Government this long-enjoyed concession too has been recently withdrawn and this has caused not only great discomfort and inconvenience to the Inspectors, but also loss of efficiency. Sir, I move.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100."

Mr. S. C. Mitra: Sir, the President of the All-India Postal Union has, in his very elaborate and able speech, put before the House the grievances of the postal officials. In his speech he has dealt mainly with the retrenchment question; and, as I gave notice of a similar question, I shall not feel any necessity to move that. We congratulate the Postal Department for all its efforts in accepting almost all the important recommendations of the Postal Retrenchment Committee . . .

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): Except the recommendations of the Telegraph Engineering Department.

Mr. S. C. Mitra: My friend reminds me about the . . .

Sir Thomas Ryan: Which recommendation?

Mr. S. C. Mitra: Mr. Lahiri Chaudhury will substantiate that. (Laughter.) We on this side of the House feel that the post office should be recognised more as a public utility department and should be judged mainly from that standard alone. Had it been a purely commercial department, I think the postal authorities would, for the purpose of economy, retrench or withdraw some of their branches in the outlying parts of the British Empire, say, some of their branches on the Tibet border or the Afghan border or some remote places where, I understand, they are not at all paying, but are really maintained for political purposes. I wish that the Postal Department should claim all that expenditure they incur, apart from the little income they derive, from the Political or other Departments of the Government of India. I know it is usually urged, when these questions are raised, that it is a mere transfer of accounts from one branch of the Government of India to another. But I think that is wholly illogical, because it is also demanded at the same moment that the post office should show no deficit and that their commercially kept accounts should show a balanced budget. In this connection, really there is a misapprehension—it may be—or it may be a well grounded apprehension in the public mind that the postal side of the Indian Postal Department is always paying; it has no deficit of its own; and the point of view from which we urge this matter is with no grudge against the Telegraph Department. As a public utility department, that side also can claim compensation from the public revenue; but on the ground that the postal side is not paying its way, there is always pressure for further retrenchment and the postal rates are not diminished.

I know the cases of the extra departmental agents who are not even considered as Government servants, though they discharge almost the same duties that involve very great responsibility: they have to discharge the work of the Savings Bank department, the Registration department and even to deliver telegraphic messages in villages: almost all this work is done by these poor agents. Their pay varies from three or five rupees to 15 or 16 rupees a month. It is higher in some provinces, but in Bengal it is very low. We have received numerous representations from these extra departmental agents to have only a rupee or two added to their pay for their contingencies. The difficulty is that they are a very big lot and even the grant of a contingency of a rupee or two involves a large amount. But I think it cannot be denied to them, rightly speaking; these poor men may not be whole time officers of the department; but why should they be asked to pay for these contingencies from their pocket? I understand, they have to supply their own ink, paper and stationery and they are seldom supplied with a table or chair. They have no comforts, and I think they cannot claim any leave: if they do, they must provide some substitute and the responsibility for that officiating man is on the permanent incumbent. So there are various grievances on the part of these extra departmental agents for whom rightly we can claim a contingency of two or three rupees a month. That has been pressed before the department for a very long time; but the general

[Mr. S. C. Mitra.]

answer always was that the total amount becomes a very large sum. The Postal Department is not unsympathetic, but owing to the wrong way in which the accounts of the Postal Department are kept, though in name it is run as a commercial department,—as a matter of fact, they suffer loss of much of their revenue from various other causes, for which, had they been a purely commercial department, they could claim compensation. Even this year, the Honourable the Finance Member said that there has already been a great increase in the work of the Postal Savings Bank and Postal Cash Certificates. But if we look into the figures, we will find that there has been very little addition to the postal revenue.

As regards the Post Office Cash Certificates, I find there is a sum of Rs. 3,30,000 credited for charges in connection with Cash Certificates work as compared with Rs. 4,45,000 in the year 1931-32, though in the previous year the work of the Cash Certificates was much less.

As regards the savings bank deposits side, though, instead of Rs. 45,96,000, there has been a sanction in the present Budget for Rs. 47 lakhs, yet the real work will be far in excess of it as the Honourable the Finance Member himself said:

"We estimate the net investment in post office cash certificates compares with average net receipts of about 2½ crores annually for the period from 1917, when these certificates were first started, until March 31, 1931."

I, therefore, suggest that more credit should be given to these items as well.

As regards the further point about the postal side getting its full credit for its work as compared with the engineering side, I shall raise that issue later on, because I have some definite suggestions to make. So I think it must be admitted that the Retrenchment Committee have done their best, though as my friend, Mr. Azhar Ali, says that his main point was that the higher officials in the department, the favoured few, have not been properly retrenched, though there has been sufficient retrenchment in regard to the lower paid subordinates. I know in the Postal Department the pay of the higher officials does not amount to very much, because we all know that in this Department there are not very many highly paid officials. 90 per cent. or even more of the posts are held by the poor officials, and so by any degree of retrenchment we cannot get a very large amount to help us to balance the Budget.

Mr. D. K. Lahiri Chaudhury: Sir, I have great pleasure in supporting the motion of my friend, Mr. Azhar Ali, specially for the reason that I know something about the working of this Department, having been intimately connected with the Postal and R. M. S. Union in Bengal. When I made my general observations on the General Budget, I stated that there has been a very big jump under the head "Provision for Depreciation and Interest on Capital Outlay" and I also showed how Rs. 28,56,000 were charged in these two heads. I also brought to the notice of the House the defective system existing in regard to allocating the income from postage and message revenue. Now, Sir, rightly or wrongly, I think there is an impression that the telegraph side gets more income on account of the postage and message revenue. I, therefore, wish to suggest that separate telegraph stamps should be introduced which will reveal the correct position

Mr. S. C. Mitra: That is a separate motion, and I shall move it separately.

Mr. D. K. Lahiri Chaudhury: I also emphasised the fact that the correct position should be placed before the House, and there should be no hide and seek policy in this matter.

Sir, there is much to be said on the credit share of the cost of combined offices. Although the number of combined offices has increased, only 33,89,000 have been shown as share of the cost of combined offices against Rs. 34,24,336 in the year 1932-33. Let me remind the House that yesterday when my friend, Mr. Bajpai, replied to the interruption of Mr. K. Ahmed, he said that a school does not mean the building. So, in this particular case of amalgamation of telegraph and postal department, I should say that it does not mean the amalgamation of buildings also

Mr. K. Ahmed: I did not say that.

Mr. D. K. Lahiri Chaudhury: Now, this amount cannot cover the pay, leave provision or pensionary charges of the combined hands. I invite the Government to submit a statement showing the number of combined hands actually employed on telegraph duties, number of inferior staff engaged in combined offices together with the approximate expenditure for their pay, leave and pensionary charges, otherwise it will be difficult to believe that this credit is fair to the post office. It will be better if the whole income derived through the combined offices is credited to the post office and its proportionate share of cost of engineering branch is credited to the telegraph branch.

While introducing the Budget on the 28th February, the Honourable the Finance Member stated that the figures of the post office cash certificates and the savings bank deposits were most striking:

"We estimate",

—said the Finance Member—

"The net interest in the post office cash certificate this year is at 10 crores and net addition of savings bank deposits at 4.35 crores. Both these figures greatly exceed any previous report and I may point out that the figure of 10 crores for post office cash certificates compares with average net receipts of about 2½ crores annually for the period from 1917."

This will prove that the work of the savings bank and cash certificates departments of all post offices has increased considerably. But only Rs. 47,000 have been provided in the Budget for management of post office savings bank and Government security works against Rs. 45,96,000 in the year 1932-33 and Rs. 44,41,153 in the year 1931-32.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty) Order, order. The Honourable Member is repeating what the previous speaker said.

Mr. D. K. Lahiri Chaudhury: Excuse me, Sir, I was repeating these figures to give additional force to my arguments, because repetition generally brings home the arguments more forcibly.

[Mr. D. K. Lahiri Chaudhury.]

Now, Sir, there is another point to which I want to invite the attention of this House. Stamps worth six lakhs of rupees are paid to the Rulers of States free of charge. When the Department is not paying its way, stamps should not be given free of charge to them.

There are many post offices which are maintained for military purposes. Loss of these post offices should be debited to the Military Department. The post office has to incur expenditure to arrange for special delivery of mails to Governors and other high officers in the provinces, and, therefore, the Provincial Governments should be asked to pay the expenses. If the post office gets credit on all items fairly, there can be no loss at all in the post office, and we can always have a balanced Budget. With these observations, Sir, I support the motion of my friend, Mr. Azhar Ali.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. Deputy President (Mr. R. K. Shanmukham Chetty) in the Chair.

Pandit Satyendra Nath Sen (Presidency Division: Non-Muhammadan Rural): Sir, I rise to support the motion moved by my Honourable friend, Mr. Azhar Ali. The Honourable the Mover has referred to the conversion of departmental telegraph offices into combined offices. First of all, I would like to elaborate that point. That was a recommendation made by the Committee presided over by my Honourable friend, the Director General of Posts and Telegraphs, Sir Thomas Ryan. In giving effect to that recommendation, only some unimportant offices have been converted, but the bigger ones have been left untouched, and their number will come close upon 50. Some of them may be enumerated—Jhansi, Naini Tal, Silchar, Bannu, Dera Ismail Khan, Multan, Darjeeling, Shillong, Cuttack, Cocanada, Bezwada, and so on. Sir, Government cannot find their way to reduce the postal rates, because their income does not allow them to do so. But I find that they do not give much attention to the sources of revenue. The average pay of the head of the departmental telegraph offices may be calculated at Rs. 400, and the house rent may be calculated at Rs. 50. If they combine the two offices, in one year alone they will be able to make an economy of about Rs. three lakhs. It may be argued that suitable hands may not be found to take charge of these combined offices. Sir, among the telegraphists there are some officers who were recruited from postal signallers and some of them are holding responsible jobs. They may be placed in charge of these combined offices. Of course, all those offices cannot be combined all at once, but some offices may be combined now and they may train others, and suitable men will be available in course of one or two years. In giving effect to the recommendations of the Postal Retrenchment Committee, presided over by my Honourable friend, Sir Cowasji Jehangir, the posts of Deputy Post Masters General, Traffic, were abolished, but their places were taken by Directors of Telegraphs. If the Post Masters General cannot do justice to both the sides, they may be assisted by assistants in the grade of Divisional Engineer of Telegraphs.

Now, I shall discuss the long standing grievance of another important branch, namely, the postal recruited telegraphists:

"After the amalgamation of Posts and Telegraphs, in or about the year 1913, a system of recruiting Local Scale Telegraphist from amongst the Postal Signallers was introduced, vide Director General's G. O. No. 8, dated 1st August 1915. According to this system, about three hundred specially selected signallers were transferred to the Telegraph side between the years 1913 and 1920. These transfers were not purely voluntary, but a selection based on merit. During this time, there was no time-scale of pay in the Postal Branch and they were transferred with the express desire that their prospects would be much better in the Telegraph side. They are given an increased salary of 37 per cent. on an average. A Postal Signaller, on temporary transfer to the Telegraph Branch, is given an increased salary of 20 per cent. of his pay . . ."

The Honourable Sir Frank Noyce (Member for Industries and Labour): May I ask my Honourable friend from what he is reading?

Pandit Satyendra Nath Sen: I am reading from an article which appeared in 1929 in the All-India Postal and R. M. S. Union's magazine.

The Honourable Sir Frank Noyce: 1929? (Laughter.)

Pandit Satyendra Nath Sen: Yes. (Laughter.) My point is that even after so many years their grievances have not been redressed:

"The introduction of the time-scale of pay and some other revisions in the conditions of the service in the Postal Branch brought about many changes and these men found that the purpose of their choice had been defeated and they have been put to positive loss in many cases by such transfers of service.

It may be argued that many of these men have been transferred to the General Service with higher scale of pay and thereby their losses have been made up. But this assumption is not correct. According to the Departmental standard, a Local Scale Telegraphist is entitled to an increase of 40 per cent. on his transfer to the General Service. This increase of pay is a compensation for the conditions of General Service; and the Postal recruited telegraphists were as much entitled to it as others for the reason that they accepted all the adverse conditions attached to the General Service. Actually, therefore, Postal Signallers of over three years' service have been losers. There are several other systems of recruitment to one branch from another in the Posts and Telegraphs, but in no case the men are to suffer any loss; on the contrary they get a clear advancement. These Postal Recruited Telegraphists have suffered in various ways. The following are their grievances:

- (1) Loss of benefit of all service in the Postal Branch.
- (2) Loss of benefit due to the Postal revision sanctioned after their entry in the Telegraph Branch.
- (3) Loss of prospects of rising to higher appointments.
- (4) No hope in many cases of rising to the maximum in their present grade.
- (5) Consequent loss by the reduction in the amount of the pension.

These men while they were working in the Post Office, were also serving the Telegraph Branch almost equally with the Telegraphists and they were under the same Director General and the same Post Master General and as such drawing salaries from both Postal and Telegraph Branches. The Honourable Member, Industries and Labour Department, in answer to a question in the Legislative Assembly, admitted that the telegraph work formed a part of the duty of postal signallers. In 1920, time scale of pay was introduced in the post offices whereby every member of the postal service was given the benefit of his past services and brought on to a pay according to his length of service. Even all temporary and probationary periods were counted towards increment in pay. Under orders of the Director General all previous services of a

[Pandit Satyendra Nath Sen.]

clerk on transfer from one branch to another in the Post Master General's office, Dead Letter Office, Railway Mail Service Office, Postal Audit Office and Telegraph Offices were recognised and calculated for purposes of increment of pay. The 'next below' rule was introduced where by the seniority of every one was safeguarded. But the signallers transferred from the post to the telegraph branch were alone deprived of these benefits. Representations were made separately and collectively by these men on many occasions and a memorial to His Excellency the Viceroy was submitted in May, 1923, but to no effect. In the beginning of 1926, the all-India Telegraph Union took up their cause and clearly showed that these men have really a very substantial grievance and asked the authorities to do them bare justice by counting their past services in the Post Office towards increment, if not for seniority. The Indian Telegraph Association recommended that these men should be brought on to a pay corresponding to that which they should have reached had they remained in the post office and that half of their entire service in the Post Offices should count for service and increment in the Telegraph Branch. In February 1926 the Government of India called for a statement showing the extra cost that would be involved if increments are granted to those men for their service in the Post Office. But after a consideration of more than a year the Government at last refused to do any justice to these men. The Government only agreed to return these men back to the Post Office if they so desired but did not consider it necessary to give them any assurance to safeguard their interests. Many of these men had been recommended for Inspectorships while in the post office and many have passed the Telegraph Mastership or Electrical Supervisorship Examinations in the Telegraph side. How will these men be provided in the Post Office. Most of the men being in the Telegraph side for a long time had lost all touch with the post office work and they could not therefore accept a retransfer to the post office. Subsequently a memorial was submitted to the Secretary of State for India but it was not forwarded by the India Government. Now the question is why this batch of officials should be an exception to the general privilege granted to all other Government officials of counting their whole services for purposes of increment and seniority in the time scale of pay. Posts and Telegraphs constitute one and the same department. These men were simply transferred from one branch to another in the same department. All these men were recommended for their good work in recognition of which they were transferred to the Telegraph side to better their prospects. Why should they lose the benefit of their past service while each and every member of the Department availed of it. Military telegraphists on transfer"

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. While it will be permissible for an Honourable Member to read out reasonable quotations from a publication,—the practice of simply reading out the publication as part of a speech ought to be seriously deprecated.

Pandit Satyendra Nath Sen: Sir, I have almost finished. I would refer the Honourable Member to the magazine which I have mentioned. I hope he will inquire into their grievances and have them redressed. In 1929, a deputation waited on Mr. Rogers, then officiating Director-General of Posts and Telegraphs, and he was good enough to assure them that he would do his best to redress their grievances, but no consideration has yet been given. With these words, I support the motion.

Sir Thomas Ryan: I should like, in the first place, to express by appreciation of the few kind remarks which were interspersed in the general volume of condemnation by Mr. Azhar Ali and Mr. Mitra. I would like to say that I associate myself with what they said with regard to the reliability and the good service of the postal and telegraph subordinates. I am glad that a few words of commendation were also extended to me personally by Mr. Mitra who said that I was a sympathetic, though he suggested at the same time that I was a wrongheaded officer. I shall deal as briefly as the time at my disposal requires with the various points raised. In the first place Mr. Azhar Ali repeated the old allegation that the Postal and Telegraph Department is topheavy. I am very sorry that

the Administration Report for the year 1931-32, which is in the Press, will not be in the hands of Honourable Members for a short time, but I should just like to read a few figures from one paragraph, about the strength of the staff, where I refer to the fact that the total staff is over 130,000 and that the large number of superior, that is gazetted, staff in the Department is sometimes quoted as evidence that the establishment is topheavy. This impression should be corrected if it is realized that the number shown as 521 (in a statement here) of these officers includes 158 Divisional and other Superintendents, 48 Post Masters and 80 Telegraph Officers most of whom are in executive charge of the larger Post and Telegraph Offices or of sections of these and 137 Assistant and Deputy Assistant Engineers most of whom are in executive charge of Engineering Sub-Divisions or in comparable posts. If these are excluded, there remain under 100 officers in such higher charges as are commonly envisaged by the general public as controlling the business of the Department, and I do not think that the administration of a Department on this scale could be run with a smaller number of officers: moreover, as Mr. Mitra has acknowledged, the great majority of these officers draw relatively low pay and most of them have risen from the lower posts in the Department. I do not think that the Department is in any way overstaffed at the top or that it is extravagantly paid.

Certain statistics of retrenchment were cited by Mr. Azhar Ali. I think he was relying mainly on answers given a little time ago to questions about individual cadres. I should like to read out some later figures which have been compiled, which will, I hope, be soon in the hands of Honourable Members and which will show that the incidence of retrenchment has been much more equally divided than Honourable Members have admitted this morning. Under the heading of gazetted officers, we have retrenched—the statement I am reading from has been made up to the end of March, that is the end of this month and it takes account of retrenchments now in progress and the figures are in all cases approximate, but very nearly accurate—9·5 per cent. in strength and 8·3 per cent. in cost. Under clerical staff we have a net retrenchment of 2·6 per cent. in numbers and 10·1 per cent. in cost. Under lower subordinate engineering staff, I was told today that there has been no retrenchment. We have actually retrenched 8·8 per cent. of the strength and 9·8 per cent. of the cost, very nearly the same figure of cost, as for the postal clerical staff. Under the head of telegraph masters and telegraphists, the figures of retrenchment are the biggest of all, namely, 12·3 per cent. in strength and 17·6 per cent. in cost. Postmen, 8·6 per cent. in strength and 10·1 per cent. in cost, and the line staff 6·2 per cent. in strength and 6·5 per cent. in cost. Finally, the inferior service, 1·7 per cent. and 1·9 per cent. On the grand total, out of 130,008 men on the 30th November, 1931, we have effected a retrenchment of 4·4 per cent. in strength and of 9·8 per cent. in cost. I think it will be quite clear from these figures that a good deal of what has been said about the unfair incidence of retrenchment on the postal side is based on a misapprehension. As I was saying in response to an earlier motion for a cut this morning, it is true that the retrenchment on the telegraph traffic side was not pursued so vigorously as in other branches until the close of the last year and the beginning of this year, and it was for that reason that the figures at Mr. Azhar Ali's disposal were not as up-to-date, and in fact are very much short of the actuals as they will be at the end of this year.

[Sir Thomas Ryan.]

As regards the Telegraph Engineering Branch, it is true that the upper class staff has not been retrenched quite to the same extent as in other branches. Now, somebody who has not studied the report very closely said that we had not carried out the recommendations of the Retrenchment Committee. The Retrenchment Committee made no recommendation in regard to the retrenchment of the engineering staff except as regards, I think, one post, that of the Deputy Chief Engineer in my own office. They recommended that that post should be abolished and replaced by one of a lower status. That measure was carried out. The general retrenchment of the engineering staff was merely left by the Retrenchment Committee to be further examined, separately from their own researches, and that examination has been carried out and has resulted in the retrenchment that I have just mentioned, namely 9·8 per cent. of the total cost and 8·8 per cent. of the total strength. There are very good reasons why it may not be possible to make retrenchment extensively on the engineering side and especially among the superior officers as it has been on the postal side. The Telegraph Engineering Branch is responsible for maintaining an immense net work of lines and a large number of offices and instruments throughout the country, and although the traffic of the Department has fallen within the last year or two, we have not been able to close down offices or remove a post or a mile of wire. These have to be kept up with the same efficiency as if they were heavily loaded. Reference was also made to the fact that the engineering expenditure has increased greatly since the amalgamation of the posts with the telegraphs in 1914. That, of course, is inevitable as a consequence of the development of telegraph engineering. We have now very much more in the way of high-speed telegraph working between the principal centres in India, involving a very high standard of maintenance of lines and the maintenance of expensive and very delicate equipment; and, particularly, we are spending now a good deal of money on the extension of telephony. The trunk lines which have been in existence for some years are rapidly being brought up to a high state of efficiency. It is quite inevitable that the Department must continue to spend money on the extension and the maintenance of this system and, incidentally, on the staff necessary to maintain it. As regards the reductions, which some people say we have gone too far on the postal side, I can only say that we have a business which has been falling off lamentably and it is only common business prudence to reduce your staff comparably with the reduction of business. We have accelerated the process by the diminution of the numbers of deliveries of letters at various places. In doing so we were certainly doing something which was not very pleasant to the public, but we had to do our best to reduce cost, and we did it on the advice of the Retrenchment Committee. In all these matters we have acted strictly in accordance with the advice of the Retrenchment Committee. We must cut our coat according to our cloth and that is what we have been doing. As regards the abolition of telegraph masters and telegraphists, I have just mentioned that we have really made, or are making, very heavy retrenchments although we began later than other retrenchments. So much so that I have received letters couched in terms of abuse compared to which I think the worst I have heard in this House is quite friendly. (Laughter.)

A good deal of weight was laid on the course of remarks this morning on the reduction in the number of selection grade posts in the supervisory

staff in relation to the staff supervised. There has been a good deal of misunderstanding about that on the part of the staff, and I think, in consequence, on the part of some Honourable Members also who have derived their information from the staff interested. The Retrenchment Committee, which is sometimes spoken of by members of my staff as having recommended the adoption of a fixed percentage of eight as between the number of supervisory clerical posts and the number of supervised posts, did not make in fact any such recommendation. They endorsed the recommendation of the Postal Committee of 1920 of which a member was the late Honourable Mr. Sarma, then a Member of the Indian Legislature, that the number of supervisory posts should be determined on nothing but the actual necessities of the situation, and as far as possible we do fix the number of these posts with reference to the actual supervisory work to be done. There may have to be less supervision in one office and more in another and the numbers vary accordingly. It certainly is true that, in the effort to secure every economy which we have lately been engaged upon in the hope of reducing expenditure, we have had to cut down the number of supervisory and selection posts: and if in some places a larger reduction was found to be possible than in other places, it is simply a matter of luck. We cannot have any uniform rule of thumb for settling these matters.

Mr. D. K. Lahiri Chaudhury: May I know from the Honourable Member as to why 26 selection grade posts were reduced in Bengal?

Sir Thomas Ryan: The reason why 26 posts were reduced in Bengal were precisely what I have stated, that the responsible officers on the spot found that it was possible, or in their judgment expedient, to reduce 26 posts to a lower grade. I am quite willing to admit that, as has been alleged, different officers may actually employ different methods and may look somewhat differently at these problems. We have given them a certain amount of guidance, though there is not any rule of thumb, but there are certain formulae for their help. It is always open to the local branches of the recognized unions of the officials concerned to represent such matters to the heads of the Circles who will certainly give their closest attention to any representation that in any particular place the thing has been over-done. We have not the slightest desire to reduce the number of these posts to an unreasonable extent; but we must determine the number of posts to be maintained with reference to the work to be done and not with reference to the consideration of providing a definite range of promotion. With regard to the conversion of telegraph offices into combined post and telegraph offices, I do not think Honourable Members can realise the great disparity in the numbers. In all India, as I mentioned this morning, there are only 100 "departmental", that is to say, exclusively telegraph offices, while there are 4,291 combined post and telegraph offices; it is not the case, as was stated this morning, that we have not pursued the policy of conversion which was recommended by a Committee presided over by myself some years ago, it naturally becomes more and more difficult to make these conversions as time goes on, because the remaining offices are the biggest ones, and the economy to be secured is manifestly less where you have a telegraph office which is exclusively and fully engaged on telegraph business than when you are dealing, as we were some years ago, with a large number of smaller telegraph offices not so fully worked. We are nevertheless even now pursuing this system; we will continue to

[Sir Thomas Ryan.]

convert purely telegraph offices into combined offices, or rather to amalgamate them with the local post offices and so make combined offices where it will pay us to do so.

Reference was made also to the practice of converting post offices into extra-departmental post offices run by non-departmental agents. I think it was Mr. Azhar Ali who hinted that there was some objection to this practice. We only do this where we are satisfied that the public service will not be materially impaired thereby, and our object in doing it is to secure a cheaper administration. If this motion should, though I hope it will not, go to the vote, I am glad to think that my Honourable friend, Mr. Anwar-ul-Azim, will for once walk into the same lobby with myself, because he will realise, even if others do not, that this is one of the measures by which we can cheapen the service and, therefore, afford to extend it in the province in which he is specially interested.

A good deal was also said, or rather read, this morning by Mr. Azhar Ali from a speech which he had prepared and which bore a certain likeness to certain representations which have recently reached me, about the Inspectors of Post Offices and the R. M. S. It is the case that the Inspectors of Post Offices and R. M. S. have expressed many grievances; when I had the pleasure of receiving a deputation from the principal Postal and R. M. S. Service Association not long ago, these matters were rather briefly touched on, and I promised that I would go into the matter if I were furnished with a detailed statement of the grievances, and there is a statement which I subsequently received in which these grievances were set out with no lack of detail. I must confess that I have not up to date been able to devote my personal attention to that statement of grievances. I have been too busy preparing and 'vetting' replies to the innumerable questions that my friends, Mr. Mitra and Mr. Maswood Ahmad, with a little occasional help from Bhai Parmu Nand and others, have been constantly asking on communal and other matters. But the examination is in hand and I shall certainly give my closest attention to the complaints of the Inspectors, though I shall not attempt now to express any opinion one way or the other on the validity of the complaints made. In that connection I think one point made by Mr. Azhar Ali was that the delegation of powers was only increasing work. My experience is that a delegation of powers has the great advantage of reducing work. It would somewhat reduce my own work, for example, if the Honourable Member who sits in close charge of me would delegate all his authority to me and not require me to explain anything that I propose to do! I think with Inspectors it is much the same.

Reference was made, amongst some heads of individual grievances, to the grievance of the Inspectors in having been deprived lately of their special classification for purposes of travelling allowance; that is in fact the same point that was also referred to this morning by Mr. Anwar-ul-Azim in respect of Superintendents of Post Offices. There, again, I should like to transmit the blame to my Honourable friend, Sir Cowasji Jehangir, and the Committee presided over by him. They made that recommendation most deliberately after considering the objections which had previously prevailed against a similar proposal. Government have agreed, when the financial position of the department admits of it, to re-examine these matters, but they do not feel that they would be justified at the present time in restoring any of the special classifications.

Turning to Mr. Mitra's observations, I have already referred to the complaint that we have not carried out retrenchment on the engineering side. He laid some stress upon the fact that the Posts and Telegraphs Department is a public utility department and should be treated as such. In fact it is treated in that way. The Department does undertake a good deal of work which a purely commercial department would not do. We have undertaken this morning, for example, to look more sympathetically than a merely commercial department or company might do to Mr. Anwar-ul-Azim's demand for increased services in the less remunerative parts of his province. It is a fact, however, that we are commercial enough to exact payment from other departments for the work done for them, and I think some of Mr. Mitra's remarks under that head must have been based on a misapprehension. For example, we have postal arrangements, rather expensive and certainly unprofitable, in places like Tibet. We do recover the full cost of these services from the departments which press us to maintain them; and that is our general policy,—to charge other departments for what we do for them.

I was a little taken by surprise by the complaint that we treat our extra-departmental agents unfairly by requiring them to provide at their own cost sealing wax, tables and chairs, and petty articles of stationery. It is a fact that we make no specific allowance for these items, but they are after all considered in the remuneration which is given for the work done. They know what they have to do in that way, and I am assured that there are plenty of people ready to come forward to be extra-departmental agents on the remuneration at present offered. I do not think, really, that there is a *prima facie* case for making a special allowance, which would be bound to be expensive in the aggregate.

Complaint was also made this morning that we do not get sufficient credit for work done for the Finance Department under such heads as management of the Post Office Savings Bank and Government security work, charges in connection with cash certificates and so forth. Well, Sir, while we are remunerated, I would certainly be glad if I could get more credit from the Finance Department which would improve the showing of my department, and I am glad to be able to quote my Honourable friends opposite in support of my efforts. But I must admit that we are at present paid on what has been accepted as a reasonable basis, the basis of so much per unit of work or so much per cash certificate handled and so forth. And the provision in the Budget is simply based on our estimate of the amount of work we shall have to do. It has been increased under the management of Post Office Savings Banks, etc. We provided for 47 lakhs in the current year as against 45.96 in the present year and considerably smaller figures for past years. We have provided a somewhat smaller figure, 3.30 lakhs as against 3.43 for charges in connection with cash certificates simply because we thought that the amount of work might somewhat fall off owing to the reduction of the return on the certificates. And if in fact more should come in, we shall automatically get greater credit and this matter will settle itself.

Mr. Chaudhury referred to certain points which he had also mentioned in his speech on the General Budget. He referred to the large increases in the provision for depreciation and for interest on capital. Well, there are large increases, and I am not surprised that they should have attracted his attention, but they are easily explained. As regards the provision for depreciation, the increase is due partly to an increase in

[Sir Thomas Ryan.]

convert purely telegraph offices into combined offices, or rather to amalgamate them with the local post offices and so make combined offices where it will pay us to do so.

Reference was made also to the practice of converting post offices into extra-departmental post offices run by non-departmental agents. I think it was Mr. Azhar Ali who hinted that there was some objection to this practice. We only do this where we are satisfied that the public service will not be materially impaired thereby, and our object in doing it is to secure a cheaper administration. If this motion should, though I hope it will not, go to the vote, I am glad to think that my Honourable friend, Mr. Anwar-ul-Azim, will for once walk into the same lobby with myself, because he will realise, even if others do not, that this is one of the measures by which we can cheapen the service and, therefore, afford to extend it in the province in which he is specially interested.

A good deal was also said, or rather read, this morning by Mr. Azhar Ali from a speech which he had prepared and which bore a certain likeness to certain representations which have recently reached me, about the Inspectors of Post Offices and the R. M. S. It is the case that the Inspectors of Post Offices and R. M. S. have expressed many grievances; when I had the pleasure of receiving a deputation from the principal Postal and R. M. S. Service Association not long ago, these matters were rather briefly touched on, and I promised that I would go into the matter if I were furnished with a detailed statement of the grievances, and there is a statement which I subsequently received in which these grievances were set out with no lack of detail. I must confess that I have not up to date been able to devote my personal attention to that statement of grievances. I have been too busy preparing and 'vetting' replies to the innumerable questions that my friends, Mr. Mitra and Mr. Maswood Ahmad, with a little occasional help from Bhai Parmanand and others, have been constantly asking on communal and other matters. But the examination is in hand and I shall certainly give my closest attention to the complaints of the Inspectors, though I shall not attempt now to express any opinion one way or the other on the validity of the complaints made. In that connection I think one point made by Mr. Azhar Ali was that the delegation of powers was only increasing work. My experience is that a delegation of powers has the great advantage of reducing work. It would somewhat reduce my own work, for example, if the Honourable Member who sits in close charge of me would delegate all his authority to me and not require me to explain anything that I propose to do! I think with Inspectors it is much the same.

Reference was made, amongst some heads of individual grievances, to the grievance of the Inspectors in having been deprived lately of their special classification for purposes of travelling allowance; that is in fact the same point that was also referred to this morning by Mr. Anwar-ul-Azim in respect of Superintendents of Post Offices. There, again, I should like to transmit the blame to my Honourable friend, Sir Cowasji Jehangir, and the Committee presided over by him. They made that recommendation most deliberately after considering the objections which had previously prevailed against a similar proposal. Government have agreed, when the financial position of the department admits of it, to re-examine these matters, but they do not feel that they would be justified at the present time in restoring any of the special classifications.

Turning to Mr. Mitra's observations, I have already referred to the complaint that we have not carried out retrenchment on the engineering side. He laid some stress upon the fact that the Posts and Telegraphs Department is a public utility department and should be treated as such. In fact it is treated in that way. The Department does undertake a good deal of work which a purely commercial department would not do. We have undertaken this morning, for example, to look more sympathetically than a merely commercial department or company might do to Mr. Anwar-ul-Azim's demand for increased services in the less remunerative parts of his province. It is a fact, however, that we are commercial enough to exact payment from other departments for the work done for them, and I think some of Mr. Mitra's remarks under that head must have been based on a misapprehension. For example, we have postal arrangements, rather expensive and certainly unprofitable, in places like Tibet. We do recover the full cost of these services from the departments which press us to maintain them; and that is our general policy,—to charge other departments for what we do for them.

I was a little taken by surprise by the complaint that we treat our extra-departmental agents unfairly by requiring them to provide at their own cost sealing wax, tables and chairs, and petty articles of stationery. It is a fact that we make no specific allowance for these items, but they are after all considered in the remuneration which is given for the work done. They know what they have to do in that way, and I am assured that there are plenty of people ready to come forward to be extra-departmental agents on the remuneration at present offered. I do not think, really, that there is a *prima facie* case for making a special allowance, which would be bound to be expensive in the aggregate.

Complaint was also made this morning that we do not get sufficient credit for work done for the Finance Department under such heads as management of the Post Office Savings Bank and Government security work, charges in connection with cash certificates and so forth. Well, Sir, while we are remunerated, I would certainly be glad if I could get more credit from the Finance Department which would improve the showing of my department, and I am glad to be able to quote my Honourable friends opposite in support of my efforts. But I must admit that we are at present paid on what has been accepted as a reasonable basis, the basis of so much per unit of work or so much per cash certificate handled and so forth. And the provision in the Budget is simply based on our estimate of the amount of work we shall have to do. It has been increased under the management of Post Office Savings Banks, etc. We provided for 47 lakhs in the current year as against 45.96 in the present year and considerably smaller figures for past years. We have provided a somewhat smaller figure, 3.30 lakhs as against 3.43 for charges in connection with cash certificates, simply because we thought that the amount of work might somewhat fall off owing to the reduction of the return on the certificates. And if in fact more should come in, we shall automatically get greater credit and this matter will settle itself.

Mr. Chaudhury referred to certain points which he had also mentioned in his speech on the General Budget. He referred to the large increases in the provision for depreciation and for interest on capital. Well, there are large increases, and I am not surprised that they should have attracted his attention, but they are easily explained. As regards the provision for depreciation, the increase is due partly to an increase in

[Sir Thomas Ryan.]

the number of our assets, which we are always adding to, but in the main it is due to a change in the system of keeping the depreciation fund. As any Members of this House, who are versed in accounts matters, will know, a depreciation fund may be kept on what is called the "straight line" method or the "sinking fund" method. We used to keep it on the "sinking fund" method, but now it is kept on the straight line. The result is that the contribution to the fund is greater, but on the other hand we receive interest. The Department receives as part of its revenue interest on the sums accumulated in the fund and as a set off against the bigger contribution there is an increase of revenue exceeding 16 lakhs in the estimate for next year.

Mr. D. K. Lahiri Chaudhury: Just one point, Sir. In this depreciation fund has the Government adopted the policy of the Retrenchment Committee Report?

Sir Thomas Ryan: Sir, in this respect the change which I have already referred to is simply due to the adoption of this recommendation in the Report of the Cowasji Jehangir Accounts Enquiry Committee, and the same is the case as regards the increase of interest on capital outlay. The same Committee considered that we have taken unduly short 'lives' as the estimated lives of various kinds of plant and equipment. The consequence of adopting longer lives was that we had to recast the capital account of the Department as from the 1st April, 1925. We started then on the assumption that the existing assets were worth a certain amount, but we had to revise and increase that figure, because we have now to assume that those assets still had a longer life before they were originally estimated. Consequently we had to pay interest on a larger capital figure. Partly the increase in the interest charge is also due to the fact that we are required, as a commercial Department, or a Department keeping commercial accounts, to pay to the Finance Department interest on the loss which has accrued. The whole increase of interest on capital is due roughly half and half to these two causes.

I may just mention one other point, although it was not referred to specifically this morning. Mr. Chaudhury mentioned the other day that we have not taken account in the Budget for the cut in pay. As a matter of fact that impression is due to a change in the way in which the figures are exhibited and I can show him in detail, if he so wishes, that we have taken the cut in pay into account although it is not shown in the parallel columns side by side with the previous year's figures.

Reference was also made to defects in the method by which we determine the telegraph branch's share of the stamp revenue. I spoke at some little length on that subject this morning, when I was checked by Mr. Mitra, but, as I stated then, it is a fact that this distribution is not made on an arbitrary basis. We take detailed accounts in two typical periods of the year of the value and the number of telegrams handled. We deduce from these figures the average value of a telegram. We then apply that average value to the total number of inland telegrams paid for in cash during the year, and in that way we get a figure which, there is good reason to believe, is reasonably accurate. I would however say, without in any way anticipating the result of the examination, that we are examining now the question which Mr. Chaudhury raised whether

it would be desirable to revert to the practice of having separate telegraph stamps. There are certain objections to that which are pretty obvious. It means increased stocks, increased accounting difficulties, and I think increased difficulty to the public. I should imagine that many members of the public who pay for their telegrams in stamps would prefer not to have to use distinct stamps for that purpose. However, we are looking into the matter, and if it does seem to me, on the advice of my expert officers, that it would be a desirable change, I should certainly make a recommendation to the Government of India; but at the present moment my feeling is that it is probably not a desirable change and that the existing system of apportioning revenue is sufficiently accurate. Before leaving that point, I would like to say that, as I think it has already been mentioned in answer to a question in the House, Government have already taken a decision to abolish the existing practice of having combined postage and revenue stamps, and to have from the 1st April next year separate revenue stamps as they used to have many years ago. That will obviate any defect in our accounting owing to any mistake in the way in which credits of stamp revenue to Local Governments are calculated.

Replying to another point raised by Mr. Chaudhury, I would like to say that the amalgamation of offices is quite a real one and 3 P.M. that when separate telegraph and post office are combined, it does not merely consist of putting the two staffs in one building. It is generally associated with considerable cheapening, because we usually employ in these combined offices postal signallers who are less expensive than the telegraph signallers, and they are supervised by the same postmaster instead of having a completely separate supervising staff. Mr. Chaudhury asked for a statement giving certain particulars with regard to the staff, etc., employed in the combined offices. I did not grasp the precise details that he asked for. In any case I could not at a moment's notice give elaborate statements showing the numbers of the staff, and so forth. But when I see the printed copy of Mr. Chaudhury's remarks, I shall see whether we can, without excessive labour, compile the information he wants, and if we can do so, I shall be happy to place it on the table of the House with a view to enabling him to draw any inference which he thinks reasonable. Mr. Chaudhury questioned the sufficiency of the credit which we give to the postal side of the Department on account of the staff employed in the combined offices. The credit is a sum about 34 lakhs of rupees. Well, I am open to conviction, but, so far as I know, this figure has been worked out in a reasonable manner, and it has certainly been accepted by the accounts officers so far, as giving a perfectly fair credit to the postal side for the work done for the telegraph side. If, when he has seen the statement to which I have just referred, Mr. Chaudhury can point out any defects in our system of working, I shall be only too pleased to reconsider the apportionment of the expenditure; but, at the present moment, I have no reason to believe that it is in any way incorrect. The suggestion that the telegraph earnings should be credited to the combined offices would mean, I think, the practical abandonment of our practice of keeping separate postal and telegraph accounts. Time is getting on and I must bring my remarks to a close. I shall only mention very briefly a few other points that have been raised. In regard to the alleged "free" grant of stamps to the Rulers of Indian States, I should like to emphasise that these stamps are not free grants;

[Sir Thomas Ryan.]

they are given in return for a consideration. I shall read a very short sentence from the Report of the Posts and Telegraphs Accounts Enquiry Committee, 1931:

"Our own examination of the documents placed at our disposal leads us to endorse the view of the Butler Committee that the grants of service stamps have been made on no general principle. Broadly speaking, however, the concessions have been made in most cases to attain throughout India a unified postal system, which would conduce to the general convenience of the public, and the ultimate advantage of the Department. We are not, therefore, in a position to recommend, immediately, either the stoppage of these concessions or the allocation of the cost thereof to any other department of Government."

That is to say, these stamps are given in return for substantial consideration, although owing to the fact that the sums have been fixed at different times over a great number of years, the precise way in which the grants have been calculated may not perhaps have been uniform.

A reference has been made to post offices maintained for railway purposes. I should be glad to have particulars of any office to which the Honourable Member refers, because I am not quite sure to what he does refer. We cannot always refuse to provide a post office where it is required, even if it is not in itself remunerative. For example, I was recently advised by my office to close the little post office which the Members of this Assembly use just round the corner here. I do not think many Members opposite would approve the withdrawal of that facility, although it means some loss to the Department.

I think, Sir, I have dealt with most of the points which have been raised and which bear directly on the policy of the Department. Pandit Sen referred to the grievances of certain signallers. He was reading from a document of 1928 or 1929. On his own showing, the grievances of these particular men have been repeatedly examined by Government who have not seen their way to redress the grievances, real or otherwise. But, if only as a matter of historical research, I shall be interested to look up the papers on that subject, and see whether there would be any practical purpose served in reopening it . . .

Mr. D. K. Lahiri Chaudhury: And I hope you will be convinced.

Sir Thomas Ryan: I am always open to conviction and if the case seems to me to be one in which injustice was really done and which can now be reopened after all these years, I should not hesitate to recommend Government to reopen it; but I do not think it likely that it can be reopened. I think I have said enough to show that the policy of the Department is a policy of which the Members of this Assembly may approve. We may not be able to give all the services which we would like to give, especially in present financial conditions; but we certainly are doing our best to meet the requirements of the public, and I hope that the Honourable Member will not feel so dissatisfied, after what I have said, that he will press his motion for a cut. (Cheers.)

Mr. Muhammad Azhar Ali: Sir, I have not much to say in reply after the hopes and assurances given by Sir Thomas Ryan. I find also that he has admitted certain of my points and the points raised on this side, and at the same time he assured us that he will give great consideration to our suggestions. It may be that our figures may be incorrect, but

we have to see to the facts and I trust that when we get the next report perhaps we may find correct figures and then we shall be able to work out our own conclusions. As regards the delegation of powers, I have not much to say in reply, but I am simply afraid that it may not land us in neglect. I want that this delegation should be properly used and that in future the rights and privileges of people may be well guarded. As regards the number of selection posts and the reductions, our only object is that the people should not suffer. It is quite correct that the people on the spot are the best judges; but we shall feel highly obliged and the country will feel grateful if the officer in charge on the spot takes more particular care about the people who are reduced. I have not more to say, except one remark about the top-heavy administration. I do not want to go into illustrations or reply to what my friend, Mr. Mitra, has said; but I may quote one instance and that will be enough to show that there is need for great consideration in future. We have got the post of a Financial Adviser. In spite of my knowing that very good work has been put in by the Financial Adviser, my point is that people in the Department now are quite competent to advise very reasonably and they know how to do the business and, at least, the present Accountant General of Post Offices, I submit, will be able to do the same work as efficiently as is expected of him. I do particularly refer to this instance, and I mean that posts like those are really such that perhaps it may not be necessary in future to keep. I have nothing more to say in reply on account of the hopes and assurances that have been given and beg leave of the House to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

Equitable Apportionment of Revenue between Postal and Telegraph Branches.

Mr. S. C. Mitra: Sir, I move:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rupees 100."

Even after the very elaborate speech of Sir Thomas Ryan, I still move this cut only to show that rightly or wrongly there is the apprehension in the public mind that the present system is defective in allocating the income on account of postage and the telegraphic message revenues. In my Budget speech I first suggested that there should be separate postal and telegraphic stamps, and I am glad, my friend, Mr. Lahiri Chaudhury, also supported today my views. The present system now is to take stock for two weeks in the year and from that to find out the average, and generalise from those figures. I think that the most that could be said about that system is that it is highly problematical. In any way the Director-General said that the change might not be desirable. By my motion I merely want to say that from this side of the House it will not be considered as undesirable, and the general public will not be very much inconvenienced if like the revenue stamp, telegraph stamps are separately printed, so that we can really account for our revenues both on the postal and on the telegraphic side. It is not my case to prove that the telegraphs side has not been properly retrenched. What I wanted to

[Mr. S. C. Mitra.]

show was that the postal side was not a deficit one. Referring to the Budget, I said:

"In the working expenses of the Budget, it is found that in all heads expenditure has been curtailed to certain extent on comparison with the year 1931-32 with the exception of engineering, where, instead of a decrease of expenditure, in comparison with the year 1931-32, the expenditure has increased year by year."

There is further evidence also, which I do not claim as conclusive, that the telegraph side has not been properly retrenched; but all that I demand is that, in all fairness to the postal side, when there is a desire in the public mind that there should be more accurate and scientific basis to calculate the revenue, instead of depending upon the very rough and ready method of finding out the aggregate for two weeks in the year and then multiplying it, a more serious attempt should be made. With these remarks, I move my motion.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100."

Sir Thomas Ryan: Sir, in view of what I have already had occasion to say today on the manner in which the apportionment of revenue between the postal and telegraph branches is made, I do not think there is need for me to say very much more now. As I have already explained, we are examining departmentally this question of having separate telegraph stamps. If it is really the case, as Mr. Mitra suggests, that there the necessity of using a different kind of stamp for telegraphic purposes would not cause public inconvenience, certainly one obstacle in this matter will be removed. For a long time now we have had the present system in existence, since the separate stamps were done away with, and it is my impression that they were done away with as a measure of public convenience to enable them to use the same stamps for both purposes. But, as I say, we are examining the matter, and we shall take full cognisance of what has been said by the Honourable Member on this subject, without making any promise that I shall be able ultimately to fall in with his views.

Mr. S. C. Mitra: Sir, as this matter is under consideration, I beg leave of the House to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

Grievances of Ex-Approved Candidates in the Calcutta General Post Office.

Mr. S. C. Mitra: Sir, I move:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100."

Sir, these approved candidates were recruited from time to time since 1926, and 40 of them had rendered continuous officiating service of nearly 3½ years in various capacities, some of them having even held independent charges during the period, before they were discharged on the 26th June, 1932. The Director-General in reply to one of my questions said that there

are at present 73 of them not provided for. I am informed that there are among them 12 graduates, 15 passed signallers, and the case of these approved candidates in Calcutta is one of very peculiar hardship. They entered the department in the hope that they would get permanent appointment after six months probation as laid down in the Fundamental Rules and had it not been for extraordinary and untoward circumstances, most of them would have been appointed in permanent vacancies in the upper division clerical cadre long ago. It was under contemplation for a very long time to farm out the treasury work of the Calcutta G. P. O. to contractors and all the vacancies which occurred there were kept unfilled since 1929 on the plea that it would be necessary to absorb the clerks of the Treasury Department in those vacancies on the transfer of the work to contractors. The scheme, however, appears to have been ultimately abandoned, but in November, 1930, there was retrenchment of staff in the Post Master General's office and the Calcutta Stock Depot, and the entire surplus staff, numbering nearly 30, were absorbed in the vacancies left unfilled in the Calcutta G. P. O. which would have otherwise gone to 30 of these *ex*-approved candidates. Then, again, came the Director-General's general orders under which all vacancies in the Calcutta G. P. O. as elsewhere were kept unfilled in view of pending retrenchment of staff and the approved candidates were told to wait until the effects of retrenchment. The Posts and Telegraphs Retrenchment Advisory Sub-Committee found out that there were 228 surplus telegraphists in excess of requirements and, in their report, submitted in September, 1931, recommended the abolition of these posts in future vacancies. To the painful surprise of these *ex*-approved candidates, 23 surplus telegraphists of the Central Telegraph Office, Calcutta, were pitchforked in 23 vacancies in the combined Town Sub-offices in Calcutta in June, 1932, and in spite of the Director-General's assurance that they have been only temporarily provided there and will be again shifted to the Telegraph Office, not a single surplus telegraphist has yet been taken away from the combined offices. The plea made out by the Director-General was that it was necessary and expedient to keep the surplus telegraphists in reserve for filling up future vacancies as trained telegraphists are not easily available and it was on this plea that 23 vacancies in combined offices, which should have gone to the signalling passed *ex*-approved candidates, have been unnecessarily blocked in spite of loud complaints from the Presidency Post Master that there is considerable wastage of man power, as the Departmental telegraphists, unlike postal signallers, cannot be utilised for postal work when they have no signalling duties to perform. I understand that the Post Master General, Bombay, has not allowed a single surplus telegraphist to be provided in any postal vacancy in his circle. Unfortunately, however, the Calcutta G. P. O. has become the dumping ground for the surplus staff everywhere. I understand that eight more vacancies have again been filled up by eight surplus clerks in Howrah and Barrackpore Head offices and, to make the position of the *ex*-approved candidates still worse, a postal clerk from the Rangoon G. P. O. and a lady clerk from the Lahore G. P. O., have secured transfer to Calcutta to block two more vacancies. The *ex*-approved candidates have thus been permanently deprived by this process of pitchforking of any chance of getting any upper division clerical appointment for which they were originally recruited, as under departmental orders all vacancies in the clerical cadre are to be converted into lower division, but

[Mr. S. C. Mitra.]

their chance of being provided even in lower division clerical vacancies appears to be very remote considering that during the past eight months or over only 13 *ex*-approved candidates have been appointed in the lower division cadre. If things proceed at this slow pace, it will take six or more years to provide all the *ex*-approved candidates. The department is, therefore, under moral obligation to provide them and save their careers from being ruined altogether. I understand that the *ex*-approved candidates in Bombay and other Presidency towns have not been put to so much hardship as no pitchforking was allowed there. I earnestly appeal to the Director-General to devise some special means to provide these men as quickly as possible in consideration of their special hardship.

The main case is this. These people entered the postal service, and after three and, in some case, of six years' approved service, they are now thrown out and their lot is really very hard. Of course, when a campaign of retrenchment is pursued, there must be hardship on some people, but if people from the telegraph department, unlike other places like Bombay and Madras, are dumped in Calcutta, there will be very little chance for these *ex*-approved candidates to find a place in the postal department. I know the Director-General is considering their case sympathetically, but he should see that, as in other places, these people should not be put to any special hardship in the Bengal Circle due to people from the telegraph side filling up these vacancies. Sir, I move my motion.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Cut motion moved:

"That the demand under the head 'Indian Posts and Telegraphs Department (including Working Expenses)' be reduced by Rs. 100."

Sir Thomas Ryan: Sir, I am afraid that I shall find it very difficult to satisfy my friend on this point. At a time when retrenchment is carried out on a very large scale, it is, I am afraid, inevitable that people who were aspiring to enter the service, or who were actually employed in officiating posts, or kept on waiting lists expecting appointments, must be disappointed. Unless there should be a substantial improvement in the postal business which will justify us in increasing the staff again, I see little prospect of its being possible to offer posts to any large number of these unfortunate men to whom my friend refers. These "approved candidates" are persons who would normally have been absorbed in the Department long before now, and I have complete sympathy with their position—as I have with all those who have been disappointed in their normal expectations—but it would not be consistent with the policy of retrenchment or the inevitable results of retrenchment to employ them. The Honourable Member makes it a grievance that, instead of retrenching surplus telegraphists, we have employed these in postal vacancies and have thereby further lessened the prospects of these candidates for securing employment. When all is said and done, the postal telegraphist is a permanent Government servant, while the approved candidate at the most is a temporary or officiating employee, and surely it stands to reason that it is more correct for Government to provide, in a vacancy even outside his normal branch, for a permanent man rather than throw him out altogether and take on a man who is not yet on a permanent footing. That view evidently commended itself to the Retrenchment Sub-Committee, because

that Committee did not specifically recommend the retrenchment of any surplus telegraphists, but expressed the hope that we would do precisely this thing—that we would be able to provide for them in vacancies in other offices. What the Honourable Member says rather surprised me—that this was found possible in Calcutta and not done in Bombay or elsewhere. The impression I have formed from his speech is that postal officials in Bombay and elsewhere have possibly failed to carry out the orders which were issued to them—not that the Post Master General, Calcutta, did **wrongly in doing so**. The only measure of consideration that I have been able to extend to these approved candidates I have done. We were pledged in respect of such vacancies as had to be filled in the lower division, to give those vacancies to men of the postmen class in the Posts and Telegraphs Department, and it was specially to meet the case of these "*ex*-approved candidates" as they are called, in Calcutta and elsewhere, especially in Calcutta where the case was represented to me personally, that I decided with the approval of the Government that one half of the lower division posts should be reserved for those approved candidates who had previously hoped to get into the higher division. That was a measure of consideration for them, at the cost, I am afraid, of the postal officials of the postmen class. It was as much as we felt we could do, and I am afraid that I cannot further satisfy the Honourable Member. I should be only too glad to provide for these men, but I think the policy of utilising vacancies for the absorption of surplus permanent Government officials even if they belonged to the telegraph branch is the right one. It was a policy which was recommended by the Retrenchment Committee, and I think it is one which we must continue to follow so long as there remain surplus telegraphists. I hope the Honourable the Mover will not press this motion to a division, because, if I do not fall in with his views, it is not because I do not sympathise with these men—I do sympathise with them,—but because circumstances do not admit of my giving them a greater measure of consideration than has already been extended to them.

Mr. S. C. Mitra: I agree that my Honourable friend has tried to do his best for these people, but I appeal to him that, if there are in future any chances for absorbing these *ex*-approved candidates, he will do his best to absorb them. With that hope, I beg leave to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 10,44,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Indian Posts and Telegraphs Department (including Working Expenses)'."

The motion was adopted.

DEMAND No. 25—INTEREST ON DEBT AND REDUCTION OR AVOIDANCE OF DEBT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The motion before the House is:

"That a sum not exceeding Rs. 2,14,88,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Interest on Debt and Reduction or Avoidance of Debt'."

Mr. B. Das (Orissa Division: Non-Muhammadan): I do not find the Finance Member in his seat; otherwise I wanted to ask him one question. May I put the question?

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Yes.

Mr. B. Das: My question is this. We have said that the sum he has provided for the reduction of debt should not be provided this year and should go towards reduction of taxation. He has evaded answering that question. I should like to have an answer from him.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member will get another chance on the Finance Bill to ask that question if he wants to do so.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): May I ask you to postpone this item and pass on to the next one?

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Yes, the Chair has no objection; it is but fair to postpone* the consideration of this Demand.

DEMAND NO. 26—INTEREST ON MISCELLANEOUS OBLIGATIONS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 50,42,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Interest on Miscellaneous Obligations'."

The motion was adopted.

DEMAND NO. 27—STAFF, HOUSEHOLD AND ALLOWANCES OF THE GOVERNOR GENERAL.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 4,36,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Staff, Household and Allowances of the Governor General'."

The motion was adopted.

DEMAND NO. 29—COUNCIL OF STATE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,04,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Council of State'."

The motion was adopted.

*For further discussion of this demand see pp. 1901—03.

DEMAND NO. 25—INTEREST ON DEBT AND REDUCTION OR AVOIDANCE OF DEBT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The House will now resume* consideration of Demand No. 25. The motion before the House is:

"That a sum not exceeding Rs. 2,14,88,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Interest on Debt and Reduction or Avoidance of Debt'."

Mr. B. Das: I wish to ask the Honourable the Finance Member one particular question. We have urged from this side of the House whether he can see his way not to provide any funds for reduction of debt in the Budget this year and to postpone it and utilise the sum for reduction of taxation.

Dr. Ziauddin Ahmad: I would like, in this connection, to ask the Finance Member a few questions. My first question is, why the sterling loans have not been transferred to the rupee loan during these days. The second is, why, when the rate of interest has been very much lowered in England, we have not taken advantage of that low rate of interest. My third point is, why any provision has been made at all for payment of War debt since we are not paying War debt at all. Considering that our Budget is in a very bad condition, is it not desirable that we should do away with this particular item altogether? The fourth question is this: We are putting a very large sum under the head "avoidance of debt", just as my Honourable friend during the discussion on the Railway Budget said that we were putting very large sums in the depreciation fund. Therefore, in these bad days is it not desirable that such large sums should not be set aside and some relief should be given to the tax-payers?

The Honourable Sir George Schuster: This is rather a novel form of debate. It seems that the House is content to receive answers from me and not to advance any arguments on the merits of a particular case. I am very flattered by that attitude.

My Honourable friend, Mr. Das, has raised the question as to whether in a year of difficulty like the present it is necessary for the Government to continue making provision according to the terms of the existing convention for the reduction and avoidance of debt. That, Sir, is a subject with which I dealt at some length in one of the earlier stages of our Budget discussions. I do not know whether my Honourable friend was present when I dealt with this point, but I am afraid that if he was not convinced by what I said then, I have really nothing to add on the matter. To my own mind, the arguments which I then advanced were entirely convincing. As I regard the position, it is this. We have got in this year, as I have always made it clear, to face conditions of very great uncertainty. It would be most unwise for the Government, in conditions of that kind, to cut out a provision which is in a sense a safety provision in the Budget. On its merits, it would be entirely unjustifiable. Apart from that, one of the great objects which we have had in view in the last year and which, I think, we may claim that we have gone a long way

*Vide page 1900 ante.

[Sir George Schuster.]

to attaining with very beneficial results to the finances of the country, is the improvement of the Government's credit. Now, Sir, rightly or wrongly, there is nothing which creates such an adverse impression in the minds of the public at large both in this country and in London as any suggestion that the Government are helping themselves to get over their difficulties by the process of what is commonly known as raiding their own sinking fund. That is a course for which we should find it impossible to stand in present circumstances. When some Honourable Members have thought that we were exaggerating the safety provisions in our Budget this year, I found it necessary to point out one particular element of weakness in our present position which is not revealed in the budgetary figures, and that is the position as regards the Railways. My Honourable friend knows perfectly well that although we take credit for the full amount of interest due to us on the Government's advances to the Railways, the Railways are not, in fact, according to their own system of accounts, earning the money with which to pay that interest. They can only pay that interest by raiding their own depreciation fund. It may be held that the provision annually made for depreciation is too high and that in fact the Railways are not spending on replacements each year the same amount as they are setting aside for depreciation. But even if we take that into account, my Honourable friend will know, because he is a careful student of Railway accounts, that last year the amount which the Railways had to draw from the depreciation fund considerably exceeded the unexpended balance of their depreciation allocation for last year. Therefore, the Railways are really down on the year. They are paying us in interest more than their earnings by way of net profits, even if you add to those net profits the unexpended balance of their allocation for the year to the depreciation fund. That, Sir, is, as I say, an element of weakness in our position and an additional reason for not further increasing that weakness by reducing our own provision for reduction and avoidance of debt. If my Honourable friend is not convinced by those considerations, then his views on financial policy differ from my own, and I am sorry to say that we shall have to agree to differ. But I feel absolutely confident, and I hope that the House will share my confidence, that the view which we have taken of the position is the right one.

Then, Sir, my Honourable friend, Dr. Ziauddin Ahmad, put to me three questions. I am afraid, I must confess I did not understand the purport of my Honourable friend's first question, but it seemed to me that he had in mind that we might possibly reduce our sterling indebtedness by increasing our rupee indebtedness. Surely my Honourable friend knows that when we borrow pounds sterling instead of rupees, we adopt that course not because it suits us better to borrow in London than in India, but because we want sterling. We have sterling commitments to meet, not rupee commitments. It serves no purpose to the Government to raise rupees in order to meet sterling expenditure unless it can convert those rupees into sterling and the amount of rupees which the Government can convert into sterling depends entirely on the exchange position and the amount of remittances which the Government can obtain through the market. I can assure my Honourable friend that we limit our sterling borrowing to the extreme minimum which is necessary in order to meet our requirements. We should never raise a penny more in London than we require to raise in order to meet our sterling commitments. The main

commitments which we have to consider at present, apart from our current requirements which we have been able to meet through the ordinary remittance purchases in the market, are in regard to the repayment of sterling loans, and those have to be repaid in sterling and we have to raise sterling for that purpose. Then, my Honourable friend asked me why we had not taken advantage of the low rates of interest prevailing in London to convert some of our own high interest bearing sterling loans. That, Sir, is a point which I thought I dealt with very fully in answering a similar criticism made by my Honourable friend from Madras, Diwan Bahadur Ramaswami Mudaliar. I told him then that it was a matter on which I was not in a position to give full information to the House, because there are all sorts of considerations involved which are not suitable for inclusion in a public statement, but I assured my Honourable friend that we had the matter in the forefront of our attention and that he could rely on us to take advantage of every opportunity that offered. I believe my Honourable friend was satisfied with that assurance and I can say no more now. But I might mention this—that a notification was issued on the 7th of March to the effect that we would repay the six per cent. loan which is maturing on the 15th June in London. Therefore we are committing ourselves to taking one step in the direction that my Honourable friend desires. We are in a position in any case to give notice of repayment of that loan, because our own existing sterling treasury balances are sufficient to meet that commitment even if we should not borrow further in London later in the year. Then, Sir, as regards the war debt, my Honourable friend again raised a question which has been several times discussed in the course of these debates. I can supply no further information on that point. We regard the war debt as we must regard it,—as an existing liability for which we have to make provision. It would be dishonest for us to put before the House Budget estimates which did not make provision for that liability. On the other hand, we are naturally doing all we can to get the whole question taken up in the course of this year, and considered together with the question of reparation payments under which we should benefit. If we can get our war debt liability reduced, postponed or cancelled, then undoubtedly our position will be *pro tanto* improved and it may be that that will provide us with a much-needed margin of improvement and which will make it possible at a later date to reduce taxation. (Hear, hear.) The House can be confident of this that we shall do our utmost in the matter and, as soon as our position has sufficiently improved, we shall certainly take steps in the direction of relaxing some of those emergency measures which are so unpopular with this House and with everybody in the country. Sir, I think that that sufficiently answers the questions that have been raised and, as I have no arguments to meet, I must content myself with giving the information. (Applause.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 2,14,88,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Interest on Debt and Reduction or Avoidance of Debt'."

The motion was adopted.

DEMAND No. 30—LEGISLATIVE ASSEMBLY AND LEGISLATIVE ASSEMBLY
DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 6,92,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Legislative Assembly and Legislative Assembly Department'."

The motion was adopted.

DEMAND No. 32—HOME DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The motion before the House is:

"That a sum not exceeding Rs. 5,70,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Home Department'."

Classification of Political Prisoners.

Mr. S. C. Mitra: Mr. Deputy President, I move:

"That the demand under the head 'Home Department' be reduced by Rs. 100."

Sir, I know that Jail is a provincial subject, but my justification for my motion is to call attention to the interference by the Government of India as regards the matter of the classification of prisoners. I think it is within the memory of most of the Members present here that the question of classification was taken up by the then Home Member and that he then consulted some of the Party Leaders before arriving at certain conclusions. We on this side of the House have all along urged that, in deciding about the treatment of prisoners in jail, the motive for the crime in question should also be taken into consideration; but, for reasons best known to Government, that was not done. The position taken up by them was generally that when a man is convicted and sent to prison, the jailor has to carry out the order of the judge. It is for the judge to decide whether the imprisonment should be simple or rigorous and also the period of imprisonment, and that he alone is to judge about the motive in awarding sentence. Once a man is convicted, the jailor has merely to carry out his orders and the duty of the jailor is only to see that the prisoner does not suffer in health.

[At this stage Mr. Deputy President (Mr. R. K. Shanmukham Chetty) vacated the Chair which was occupied by Sir Leslie Hudson.]

Now, that depends on the status of the prisoner, and the mode of life he is accustomed to, and, so far as I know, those were the considerations that induced the Government of India to make some general rules for the classification of prisoners. But in effect now we find that instead of the political prisoners getting proper treatment, the treatment meted out to them is sometimes vindictive. Even the principles that were laid down by the Government of India with regard to taking into consideration the factor of their education, mode of life, training, and so on, are not taken into account in treating the prisoners in the Indian jails.

Sir, I shall not go into individual cases. That is not my purpose now. I can cite innumerable instances where not only gentlemen, but very respectable ladies, coming from the highest social strata of Indian life, have been classed as "C" class prisoners, without any consideration whatsoever, without the least compunction and often by way of vindictive punishment. Their previous career, their station in life, none of these things is held of any account. Even today, while coming here, I received a letter about the treatment of a certain gentleman, whom I do not know personally, namely, Professor Nigam. He was tried in the Delhi Conspiracy Case and is now in the Cawnpore jail and his brother writes to me to say that he was a Professor in the Hindu College here. But he has been classed as "C". I can cite any number of similar cases, but on the present occasion I shall not go into individual cases. I would like to establish before the House that the Local Governments have not been properly instructed by the Home Department of the Government of India, that the so-called rules of classification that the latter have framed are not even enforced in the provinces, and I think it will be borne out by several Members on this side at least that several ladies, who have been convicted in political cases, have been grouped and put along with women who have been sent to jail upon conviction for very heinous offences and that they were forced to live in the company of such degraded and desperate prisoners. I dare say, even this Government will not contend that the idea of punishment is merely vindictive instead of being corrective, and that they will not at least claim that they merely send these prisoners with a view to wreaking vengeance on them and thereby debasing them and destroying their morale. Instead of being corrective in any way, this mode of treatment of prisoners in jail really debases them.

Further, there are other classes of prisoners who are prisoners only in name, like State Prisoners under Regulation III of 1818, who are never tried or convicted and had no occasion to disprove the so-called charges which are hardly even known to them. These people are also treated sometimes very harshly and like ordinary criminals. We hear of many cases of hunger strike which are generally due to misbehaviour and insulting conduct of some of these jail officials. It is not always the fault of these jail officials, because I know from my own experience that in some prisons the Jail Superintendents do not know that the State Prisoners are not to be treated like ordinary criminals with whom they are accustomed to deal, in the jails. For all these reasons I think it is time for the Government of India to initiate further principles which should be strictly followed, that considerations about education, social status, and mode of life to which these political prisoners are accustomed should be taken into account before they are classified.

I know, and one can easily guess from the uniformity of punishment under several sections, that in dealing with political crime there must be some instructions, direct or indirect, even about the quantum of punishment that is being inflicted on political prisoners. I know that, instead of issuing notices to these magistrates and giving them hints, recourse is had to the Public Prosecutor to get up and say that he demands so much punishment in such cases. So really it is the policy of the Government of India to dictate to these magistrates directly or indirectly. If they do it, why should they dictate only about their sentence? Why should not they also enforce their own rules that the previous life and education and

[Mr. S. C. Mitra.]

status of prisoners should also be considered in classifying them? There is a general impression that in political cases it is due to the vindictiveness of the Government that they are embittering feelings. On these grounds, I move this motion and point out to Government that, instead of doing any good by this classification, they have really made the condition of the political prisoners far worse in the Indian jails.

Sir, I move.

Mr. Chairman (Sir Leslie Hudson): Cut motion moved:

"That the demand under the head 'Home Department' be reduced by Rs. 100."

Mr. Muhammad Azhar Ali: Sir, I rise to support this motion. I had another motion in my name about the Aligarh and Muslim Universities which for want of time I have not moved today, and as I knew that my friend, Mr. Mitra, was going to move this motion, I thought that I should give preference to this, because I shall find more time on the Finance Bill to move that motion.

Sir, this question of classification of political prisoners has been engaging our attention for a very long time. The House knows well that questions after questions have been put in this House and the Home Department has always been moved with regard to classification. Sir, I am glad to be able to say that in my own province of the United Provinces, wherever such occasions have arisen, the Home Member there has tried his level best to satisfy the public demand. But that is not the case everywhere. I also know, Sir, that the Congress people or those who have gone to jail for civil disobedience, or other political prisoners do not want that there should be any expression of sympathy either in this House or outside. What they did they did in obedience to the country's cause and in obedience to their conscience. It is not for any kind of personal aggrandisement that they did this. Sir, the proper classification of prisoners, as my friend, Mr. Mitra, said, is very necessary. Those people who go to jail have to put up with circumstances in which their health suffers and their morals suffer and they cannot keep up their educational standards. If they are supplied with proper books and papers, they might be enlightened on modern subjects and the subjects which the country is at present discussing. Sir, it is all very well to say that certain people are put in the proper class, but we find everywhere that there are complaints and very little attention is paid to this matter. Sir, it is indeed a hardship in itself to send patriots to jail and Government ought to recognise that. Over and above that, if they are put in a class which is not their due and which causes them inconvenience, it is a matter which not only is a disgrace to the country, but also gives the Government a bad name. Sir, we recognise that their sacrifices are very great and they only go to jail for no crime of theirs, but only to serve their country. This the Government cannot deny that they are not doing all this for self-praise or for self-aggrandisement, and nobody will say that they have gone to jail from any selfish motives. Some people may say that they have gone for self-aggrandisement, but that is a far-fetched idea and nobody, having the least sense or wisdom in him, will ascribe that motive to these patriots.

With these remarks, I support this motion.

Mr. B. Das: Sir, I wish to voice the demands of the unfortunate province to which I belong. In that province, the province of Bihar and Orissa, Sir, the rules are somehow or other always misinterpreted. There are curious ways of dealing with things and things happen there which never happen in the province of my Honourable friend, Sir Harry Haig, the Home Member of which province was so much praised by my friend, Mr. Azhar Ali. Sir, in the Province of Bihar and Orissa, I think the prisoners of Orissa are not properly classed. The officials do not quite follow the lines laid down by the Government of India by which they are to classify the prisoners. Prisoners, who belong to good family or of high social position, are to be classified to higher classes, but at times they were classified, by some unwritten laws, to lower classes. I joined in a deputation to wait upon my Honourable friend, Sir Harry Haig, when he was acting Home Member in 1929 and asked him to treat uniformly all ex-legislators and we urged that all Ex-M. L. As. ought to be classed as "A" class prisoners. We drew his attention to the cases of Messrs. Rafi Ahmad Kidwai and Nilakantha Das and they were classed as "A" Class. Well, there is the case of Mr. Ram Narayan Singh, ex-M.L.A., from the province of my Honourable friend, Mr. Gaya Prasad Singh, and who was not classed as an "A" Class prisoner in the second Satyagraha movement. Mr. Dwarka Prasad Misra's case is another instance. He was very much ill-treated by the Government of the Central Provinces and he was put into Class "B". He was not even given clothes to wear and he was made to move from one jail to another with only a piece of blanket. I think the Honourable the Home Member knows the case fully well.

Then, there is the ill-treatment of women prisoners. That well-known Congress leader, Mrs. Kamla Devi Chattopadhyaya, who I am glad, is today out of the prison, was made a "C" Class prisoner. After we heckled the Honourable the Home Member, she was transferred to a better jail and placed in a better class. I will cite one instance in my own town, i.e., that of Mrs. Malati Devi. She was classified as a "C" Class prisoner and is still in prison. She is the wife of a younger cousin of mine. She is related to very many prominent people in India. She has a relative here in the House, though not a Member of the House. Mrs. Malati Devi is a grand-daughter of the late Mr. B. L. Gupta, once one of the Judges of the Calcutta High Court, and she is the daughter-in-law of the late Mr. Gokulanand Chaudhury, a prominent leader of Orissa in his time. Her husband's eldest brother, Babu Gopabandhu Chaudhury, is the leader of the Orissa Congress at present and he is the uncrowned king of Orissa. She belongs to the most advanced and respectable family in Orissa. But when the Deputy Magistrate tried her case which was started for picketing for the second or third time, she was classed as a "C" Class prisoner. This is a most heinous state of affairs. People, who belong to the highest family, who have got the highest social status in the country, are condemned as "C" Class prisoners, because Government think they will thereby break their spirit and humiliate these leaders in the eyes of the public; but I may remind my Honourable friend, the Home Member, that thereby you only create a halo to their name and fame. Those who are condemned as "C" Class prisoners, especially people, who, like Malati Devi or Kamla Devi, occupy very high positions in society, their position and reputation in the country is enhanced thereby and the feeling of the country is irritated against the Government. I agree with the previous speakers that there should be

[Mr. B. Das.]

proper classification of prisoners who, otherwise, if they were not political prisoners, would have been classed as "B" Class or "A" Class; and "A" Class prisoners should not be condemned to "C" Class, simply because they are patriots and not criminals. I do hope that my Honourable friend will bear this in mind and advise the Provincial Governments not to have this salutary rule misinterpreted against the political prisoners which apparently they have hitherto done.

I believe, Sir, that we are on the threshold of peace and peaceful atmosphere and I hope my Honourable friend, Sir Harry Haig, will do his bit to create that peaceful atmosphere which we are anticipating with the release of the White Paper simultaneously with the release of all political leaders including Mahatma Gandhi. (Interruption.) I agree with my interrupter that white is the emblem of peace. I am glad that hope is dawning and the white angel of peace is coming with the White Paper.

Mr. D. K. Lahiri Chaudhury: Sir, I wholeheartedly support the remarks made by the previous speakers. Evidently it is a fact, it is a bare naked fact, if I may say so, that justice and equity is being supplanted by barbarism and brutality. Number of instances have come before us, not only of ladies of ordinary station in life, but ladies of the most respectable families whose honour and dignity have been trampled under this malicious jail administration, and, if the Honourable the Home Member had the chance of visiting the jails and of hearing the woeful tales of respectable gentlemen and respectable ladies, he would find that practically barbarism is being practised there. If Government want to prove their *bona fides*, this is just the opportune moment when they should come with the utmost dignity just to show a little respect for these respectable ladies who are suffering.

It has been said by my Honourable friend, Mr. Mitra, that the judgment should be the judgment of the judges and the treatment in the jails should be administered by the judgment which the prisoners receive. But what do we find? From Delhi, Simla and other places, orders are issued, and the prisoners suffer for that. If this is the way of the administration, if this is to be justice, I should be the last man to co-operate with this Government. But I think it quite necessary at this moment when there is an atmosphere of peace and of waiting for the new Constitution, this should be the pioneer or initiative stage for better treatment of these prisoners and a real classification should be made of their daily life in jail.

Another thing that was pointed out by my friend, Mr. Mitra, was that ladies and gentlemen, who come from very respectable families, who do not commit any crime like ordinary criminals, and whom sometimes the Courts even do not find to be guilty, are treated in this manner. I want to emphasise this point particularly at this stage, so that my Honourable friend, the Home Member, will find some substantial means to classify these prisoners properly in the provincial jails and other places, and he should make it a point to see that these prisoners get proper treatment.

I perfectly well remember that Jatin Das sacrificed his life on account of this maladministration in the jail. I maintain that, from the sacrifice of that great soul the classification of prisoner has started. If that great soul was sacrificed in that manner for this classification and treatment,

I do not think any Member in this House, with a clear conscience, can approve of the present policy which is being administered by the executive of the Government, I mean the Home Member.

Mr. T. N. Ramakrishna Reddi (Madras ceded Districts and Chittoor: Non-Muhammadian Rural): Mr. Chairman, I have great pleasure in supporting wholeheartedly the motion so ably moved by Mr. S. C. Mitra who has got such an intimate knowledge of the working of the jails in this country. I am not speaking on behalf of such felons who commit felonious crimes and go to jails. Such people are bound to suffer and they are bound to suffer in jails also. For such persons any amount of harsh treatment in jails will not be out of place. But I am talking on behalf of these patriotic ladies and gentlemen who have gone to jail for the cause of a high idea, for the cause of patriotism and for the cause of the country. It is on behalf of these ladies and gentlemen that I appeal to the Government to adopt a more humane treatment for them when they go to jails. Surely they will never ask for such treatment: they are patriots and they go there and suffer; but any civilised Government should take into consideration their status and their position and the motives which prompt them to go to jails, and then the Government should give them the treatment which is their due. The Government themselves consider these ladies and gentlemen as equals to any of their best men: they have to make peace with them and some of them have been called to the Round Table Conference where they have been treated on terms of equality with the greatest men in Great Britain. I need not cite instances. So, when such patriotic men and women suffer for the sake of the country, they should certainly be given better treatment in jails.

Last year there was an adjournment motion in this House with regard to the treatment that was given to some ladies in the Delhi jail. Many of the ladies were sent from the Delhi jail to various other jails and they refused to go, because they had to be segregated and to be set along with male prisoners. When they refused to go, they were treated very badly. That gave rise to an adjournment motion in this House. I am not going to multiply instances and cases where women prisoners were put to the greatest troubles and hardships. I may also take this opportunity of bringing to the notice of this House that great patriots, after they have gone to jail, after they have experienced jail life for a couple of months or more, have practically become physical wrecks. That shows there is something rotten in the state of Denmark. I need not quote many instances: we have got a recent instance in the case of Mr. Subhas Chandra Bose who has gone to Vienna to recoup his health.

Mr. C. C. Biswas (Calcutta: Non-Muhammadian Urban): There was no question of "classification of prisoners" in his case.

Mr. T. N. Ramakrishna Reddi: I am speaking of the treatment which they get in jail.

Mr. D. K. Lahiri Chaudhury: Is it not a fact that he was beaten in jail?

The Honourable Sir Harry Haig (Home Member): What is this fact to which the Honourable Member is drawing attention?

Mr. D. K. Lahiri Chaudhury: The fact is that when Mr. Subhas Chandra Bose was in jail, he was beaten.

The Honourable Sir Harry Haig: What is the Honourable Member's authority for this fantastic story?

Mr. D. K. Lahiri Chaudhury: The authority is the fact that Government dare not institute a non-official inquiry.

An Honourable Member: That was on a previous occasion.

The Honourable Sir Harry Haig: The Honourable Member has not given his authority.

Mr. T. N. Ramakrishna Reddi: Then there is the case of Dr. Ansari who had to give up his political activities on account of considerations of health. There are many such instances. These go only to show that the Government want to prevent these patriots by terrorism from taking up the cause of the country. We have also been hearing of so many instances of hunger strikes in jails. I brought to the notice of the Home Member the case in the Rajahmundry jail where prisoners have been on hunger strike for the 90th or 100th day; and there are many such instances in various jails. Certainly most of these cases are due to not giving them proper classification in jails or proper treatment; the jail authorities want to ride rough-shod over them as they do with regard to felonious criminals. Most of these instances are due to the bad treatment they get in jails. So, this is the proper time to bring to the notice of the Government instances which are happening throughout the country of which the Honourable the Home Member himself might have heard, so that he might issue proper instructions to the various jail authorities to treat these prisoners much more humanely, and also instructions to Magistrates to give proper classification to the prisoners. With these words, I have great pleasure in supporting the motion moved by my friend, Mr. S. C. Mitra.

Major Nawab Ahmad Nawaz Khan (Nominated Non-Official): Sir, I would like to draw the attention of Government and of the officers concerned in this question to an important point, that they should not provide so many facilities and luxuries in the jail which will produce an ardent desire in the minds of the poor or unemployed persons to commit ordinary political offences as to enjoy those facilities which are given in the jails. I was once a non-official visitor of the jail and visited a jail with the Deputy Commissioner. Several persons in the jail, who were enjoying far better comforts and much better life than they could ever expect at home.....

Mr. S. C. Mitra: Go there and try.

Mr. D. K. Lahiri Chaudhury: I hope you embraced them in jail.

Major Nawab Ahmad Nawaz Khan: There are many persons in the jail who are enjoying better comforts than they do at home, and, if any Honourable gentleman is in doubt, he should come with me and I shall.....

Mr. D. K. Lahiri Chaudhury: The very recent statement made by some of the Nationalist leaders of your own province falsifies your statement, and it shows that even some of the prisoners were shot.

Major Nawab Ahmad Nawaz Khan: If anybody were to come with me, I will show him that these prisoners are enjoying better life there.....

An Honourable Member: When?

Major Nawab Ahmad Nawaz Khan: Any day you like, any Honourable Member may accompany me together with a high official to judge whether what I say is correct

An Honourable Member: Will you pay my travelling expenses?

Major Nawab Ahmad Nawaz Khan: I will pay your travelling expenses if I am wrong, but you will pay the travelling expenses for both of us if I am right.

Mr. C. C. Biswas: Sir, is betting allowed here? (Laughter.)

Major Nawab Ahmad Nawaz Khan: My point is that the necessities of life should be provided, and everything very necessary should be supplied, but there should be no luxuries provided, nor should the prisoners be given any extra facilities in jails; because, in that case, many people would like to go to jail. I will just tell an instance. During war days, most probably it was, I think, in 1918 or 1919, in the Dehra Ismail Khan district, there was poverty, and people wanted that cheap grain shops should be opened. Some grain dealers refused to co-operate with us. Many poor people came to me and I took them to the Honourable Mr. Latimer, the then Deputy Commissioner, and these people openly said that, on account of poverty, they will go and loot the shops, and if they are arrested, they will go before the Magistrate and confess their guilt and tell him that they did deliberately commit the offence because they would like to get into the jail where they can get some food and also do some work. The result was that all the rich people and the *baniyas* held a consultation and subscriptions were raised to open cheap grain shops.

[At this stage Mr. Deputy President (Mr. R. K. Shanmukham Chetty) resumed the Chair.]

Sir, naturally, when there is great unemployment in the country, it is not a theoretical thing that I am talking, but it is a fact that many people would like to go to the jail, because many prisoners in jails have more facilities and better comforts of life than they can get in their homes. Therefore, these amenities of life should not be afforded to such a large extent, as it may produce a desire in the minds of the people to commit crimes and get into jails, and it will also be impossible for the Government to provide for all such people in jails. All necessities of life should be met, but there should be no luxuries provided; but, if there are any hardships, these should be removed.

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muhammadan): Sir, my friend, the Nominated Member from the North-West Frontier Province,

Major Nawab Ahmad Nawaz Khan: May I ask what is the difference between nominated and elected? As you are bound to your constituency, so I am also bound to mine, and it is a great honour for a Nominated Member to belong to one party rather than to be trying and begging 2,000 people for votes as elected Members do.

Mr. Gaya Prasad Singh: My friend, the Nominated Member from the North-West Frontier Province, has spoken in his usual way. He has been true to the constituency which he represents, I mean the executive Government

Major Nawab Ahmad Nawaz Khan: I am following you.

Mr. Gaya Prasad Singh: It is an irony of fate that my friend should stand up in this House and say that the treatment which is accorded to some of the political prisoners in jails is more comfortable than they deserve, when the Legislative Council of his own Province should be discussing or proposing to discuss a motion for the adjournment of the business of the local Council, relating to the harsh treatment meted out to the prisoners in the very jail of his Province.

Major Nawab Ahmad Nawaz Khan: Has the gentleman read the reply?

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order.

Mr. Gaya Prasad Singh: Whatever the reply may be,—I have not cared to read it carefully

Major Nawab Ahmad Nawaz Khan: Then you should first read it.....

Mr. Gaya Prasad Singh: May I be permitted to continue, Sir? I did my friend the courtesy of listening to his speech without interrupting him, and I will ask him to extend to me the same courtesy and listen to me without these constant interruptions which are somewhat indecorous.

What I was saying was this, that an attempt was made by the Non-Official members of the Legislative Council of his own Province to raise a discussion

Major Nawab Ahmad Nawaz Khan: First read the reply given by the Government and then

Mr. Gaya Prasad Singh: I think, Sir, the Executive Government should show greater sense of responsibility in Nominating Members to this House. (Applause from the Non-Official Benches.) It is not doing credit to themselves when they nominate Members who do not know what ordinary courtesy is when they are sitting in this House.

What I was saying was this, that there is deep dissatisfaction in the Province from which my friend, the Nominated Member, comes, with regard to the treatment meted out to political prisoners in the jails situated in his own Province

Mr. O. O. Biswas: On a point of order, Sir. Are we discussing the classification of prisoners, or the classification of Elected and Nominated Members of the Assembly? (Laughter.)

Mr. Gaya Prasad Singh: My friend says that he was for some time a non-official visitor of a jail in his own Province, and his impression is that the treatment in the jails is better than they deserve. If that is so, I think he has fully justified his nomination as a non-official visitor to that jail. My friend, Mr. S. C. Mitra, and others who followed him have very clearly shown the profound dissatisfaction that exists on account of the kind of classification that is sought to be made in regard to political prisoners in different parts of the country, and also on account of the treatment which is accorded to them. My friend, Mr. B. Das, whom we are sorry to part with from our own Province, has referred to the cases of Mr. Ram Narayan Singh, who is an *ex*-Member of this House from Bihar and also to the case of Mr. Dwarka Prasad Misra, who was also an *ex*-Member of this House from the Central Provinces, but my friend forgot to mention the name of another equally respected gentleman who comes from his own province of Orissa, and that is Pandit Nilakantha Das.....

Mr. B. Das: He is an "A" class prisoner.

Mr. Gaya Prasad Singh: The sort of treatment that is meted out to Pandit Nilakantha Das is not at all satisfactory judging from the reports which are appearing in the press. I know the sort of feeling which existed between my friend, Mr. B. Das, and Pandit Nilakantha Das,

Mr. B. Das: Is it correct to reflect

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. In the opinion of the Chair, the Honourable Member is not justified in making that statement.

Mr. Gaya Prasad Singh: I am sorry, Sir, I should have said anything to reflect upon my dear friend, Mr. B. Das,

Mr. B. Das: Sir, as all these discussions will appear in the press, will you kindly permit me to make a personal explanation? We are discussing the question of classification of prisoners. Pandit Nilakantha Das is an "A" class prisoner. In fact, during the first Satyagraha period, he was at first classed "B" and, at my request, my friend, Sir Harry Haig, classed him as "A", while others have been classed as "B" and "C" and so no question of ill-treatment arises, and that is why I did not discuss that matter. I feel that my friend should not have made that personal attack on me.

Mr. Gaya Prasad Singh: Sir, Mr. Ram Narayan Singh, if my information is correct,—I speak subject to correction,—was also for some time classed as an "A" Class prisoner, and although some of the political prisoners are classified as "A" Class, the treatment that is meted out to them is very vindictive. That is what I wanted to show. I never intended to cast any sort of reflection upon the views of my esteemed friend, Mr. B. Das.

Now, Sir, there is a sort of humiliating treatment to which these political prisoners are subjected. Along with other ordinary criminals, these prisoners have to say every day in the morning and evening "*Sarkar Salām*". That is a humiliating thing which these prisoners are asked to do. The result is that this sort of treatment and the sort of classification that is made creates bitterness all over the country.

[Mr. Gaya Prasad Singh.]

Some Honourable Members have referred to the treatment which is accorded to ladies also who are very respectable and have good social standing in society. I will just allude to one case in Delhi alone. There is a lady whose name is Bulwanti *alias* Baldevi. She is the wife of one Damodar Das Vaid. She is put in "C" Class, although my information is that when her husband was a political prisoner he was given special class treatment. Mr. Damodar Das Vaid is a respectable man of some standing who carries on the profession of a *vaid*, and it was expected that this lady would be classed as a "B" Class prisoner. But she has been classed as a "C" Class prisoner. My information is that she made an application dated the 18th January, 1933, to Mr. Pool, Additional District Magistrate, Delhi, requesting that she should be classed as a "B" Class prisoner. This application was sent to the police for enquiry and report. I do not know under what authority or under what law this was done. Her husband also put in an application before the Chief Commissioner of Delhi, dated the 25th December, 1932. I will not multiply these instances, but I will only say that this sort of promiscuous classification results in creating an amount of bitterness in the country among the prisoners' friends and relations and other people and defeats the very object which the Government have in view. It is intended to cow down the spirit of the political prisoners; but it results in creating a great amount of dissatisfaction which it is to the interest of Government to avoid.

The object of the punishment should be reformative and not vindictive. Instructions have, I understand, been issued by the Government of India with regard to classification of political prisoners. These instructions are in themselves not quite so satisfactory as they should be, but even as they are, they are not being properly carried out in many political cases where the judges and magistrates are carried away by their conscious or unconscious bias and mete out a sort of treatment which is neither desirable in such cases nor equitable. With these few words, I support the motion which is before the House.

Mr. O. C. Biswas: Sir, it is something to be grateful for that, at the end of a dull and dreary day, we have come upon something which provides some excitement! Listening to most of the speeches which have been made, I was wondering what we were discussing. The cut motion is, I take it, for the purpose of discussing the question of classification of political prisoners, but all sorts of matters have been imported into the debate, quite irrelevant to the topic raised. I am not at all certain even now whether Honourable Members, who have addressed the House, were objecting to the rules for classification of political prisoners, or to the application of those rules in individual cases. If, Sir, the rules are defective, it is just as well that Honourable Members, who consider them to be defective, brought the matter to the notice of the Government, pointing out in what respects they were defective and called for redress. On the other hand, if it is a question of application of the rules in individual cases, then we have got to consider to what extent the Central Government are responsible for it. Is it suggested that the Government of India issue directions by way of interfering with orders passed by the local authorities? Has there been any instance where it can be said, does any Honourable Member vouch for any statement, that the Central Government have really dictated to the Local Governments as to how a particular prisoner should be classified, or, even after he has been put in a

certain class, how he should be actually treated in jail? As most of the Honourable Members, who have addressed the House, have admitted, the classification is, as a rule, made by the trying Court. Some one said that trial Courts are full of bias, prejudice, and so on. Well, Sir, if they are full of bias or prejudice, they are the Courts which have awarded the sentences. If you accept the sentences, you must accept the classification as well. If you are not in a position to quarrel with the one, I do not see how you can quarrel with the other. If, on the other hand, there are cases where the classification is not made by the Courts, but by the jail authorities or the executive, you have got to show in what respect the jail authorities or the executive have departed from the standing instructions. Sir, what is more to the point is this. Has there been any instance where the attention of the authorities having been drawn to a specific complaint that the rules had not been followed, remedy was not forthcoming? That is the real point. What the Government can do is to lay down rules; it is their duty to see that those rules are satisfactory, that they are based on humanity, that they meet the requirements of the situation. It is also up to them to see that instructions are given that these rules are administered properly, and not in a vindictive spirit. That is about all that the higher authorities can do in the matter. If these rules are not properly administered in individual cases, that must be brought to the notice of the Government. If no relief is yet forthcoming, then, no doubt, it becomes a matter of legitimate comment. But it is no use indulging in sweeping generalisations and embarking on an indictment of Government as a whole, as if that was the deliberate policy of Government. I refuse to believe that that is the policy. Rules may or may not have been followed in particular cases. It is not claimed on behalf of the Government that none of their officers who are charged with the duty of administering the rules ever exceed the line. That is true not merely of the jail department, but of other departments as well. But when such cases are brought to their notice, if they do not take any action, then of course they become open to criticism. The picture has been painted in such lurid colours by some of my Honourable friends that people will think as if the whole of the jail administration throughout India in the case of political prisoners is one of unrelieved oppression, cruelty, barbarism. . . .

Mr. S. C. Mitra: You know the result.

Mr. O. C. Biswas: I do not know if all my friends who have spoken can claim to speak from personal experience.

Mr. S. C. Mitra: Yes, yes, from personal experience.

Mr. O. C. Biswas: Mr. Mitra is speaking of other days. Here we are discussing not the question of treatment of political prisoners; we are discussing the question of classification of political prisoners.

Mr. S. C. Mitra: Do you read newspapers?

Mr. O. C. Biswas: I do.

Mr. S. C. Mitra: There are innumerable cases. Every day a number of cases are reported in newspapers about classifying respectable gentlemen and ladies in class "C".

Mr C. C. Biswas: I refuse to accept my friend's arithmetic and regard the number as "innumerable", in proportion to the large number of prisoners who have been sent to jail. As I have said before, if there are specific instances we have a right to ask Government on their attention being drawn to alleged cases of maladministration of the rules, whether action has been taken by them or not. I will ask my Honourable friend to confine his attention to existing conditions after the classification rules were made, not the conditions which existed before. That, as I understand it, is the only point which arises upon this motion.

Mr D. K. Lahiri Chaudhury: If I may mention a particular case, and if I am not ruled out, may I mention the Rajshahi Mail Robbery Case, where a son of a certain respectable gentleman was connected in that case but though sufficient proof was not forthcoming, the judge was compelled to give him punishment. I do not know why. It is a fact that after the judgment was over, the judge called for his father and told him: "I regret very much for the conviction of your son, but I had to do it." That particular prisoner has been put in "C" Class. A number of representations were made to put him in "B" Class. Nothing has happened so far.

Mr. C. C. Biswas: I do not know if my Honourable friend would like the executive to interfere with the judiciary in these matters.

Mr. S. C. Mitra: What about the Meerut case?

Mr. C. C. Biswas: Notwithstanding the interruptions from my friends, I make bold to say that the jail administration

Mr. S. C. Mitra: is not perfect?

Mr. C. C. Biswas: Nobody claims that it is perfect, but surely it is not "brutal", "barbarous" and all the other adjectives which have been applied. Take the civil disobedience prisoners who have gone to jail and come out. Can you honestly say what they have reported to you? I do not deny for a moment that there may have been cases where the treatment accorded to them was not in accordance with the rules, or where the classification was not to their liking, but it is quite different from stating that it is the deliberate policy of the Government to act in a spirit of vindictiveness. Let us not forget that by overstating our case, we only spoil it.

Mr. S. C. Mitra: You are overstating Government's case.

Mr. C. C. Biswas: As a matter of fact, does not my Honourable friend know that in a Bengal jail a lady prisoner was found writing love letters to a fellow prisoner? Is not my friend aware that in a jail in the Madras Presidency a lady was found in a condition

Mr. S. C. Mitra: You are overstating Government's case and spoiling it.

Mr. C. C. Biswas: I am absolutely at one with my friends when they plead for humane treatment, when they urge that the prisoners should be classified according to their status and station in life, and that they should not be dealt with in a spirit of vindictiveness, but what I object to is the exaggerated picture painted in such lurid colours.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): I think there is some confusion about this cut. The motion moved by my friend, Mr. Mitra, was about the classification of political prisoners; and, from reading the cut on the agenda, I thought that the object of moving this cut was whether there should be any classification of political prisoners or not. In the case of non-political prisoners, there is, of course, need for classification, as regards status, social position and comfort in life; but, I submit that, in the case of political prisoners, there ought not to be any classification. They are not offenders. They are not sent to jail for the sake of being punished. In fact, they are sent to jail for the sake of their opinions. So wealth, status in life or position should not be taken into consideration in convicting a political prisoner. If political prisoners command any respect, it is not on account of their wealth or education, but it is on account of their political ideas and, therefore, these invidious distinctions are objectionable. The political prisoner, whether he is a Raja or an ordinary labourer, must be placed in the same class, whatever that class may be. All these troubles that we have in jails about political prisoners are due to this classification. When a political prisoner finds that a fellow prisoner is receiving better treatment, is getting better food or is placed in a more comfortable house, naturally he feels that he is not being treated in a proper way, but if there were no classification, then there would not have been this feeling of resentment.

Then, again, classification has been left at the arbitrary will of the Magistrates. I have myself seen in Moradabad, a man, holding landed property and having a higher social status, was placed in the "C" Class, while others who did not enjoy that advantage were placed in the "B" Class, because one magistrate holds one opinion and another magistrate holds another opinion. Therefore, I submit, that there ought not to be this invidious distinction as regards political prisoners and all this classification of "A", "B" and "C" should be dropped in the case of political prisoners. With these words, I resume my seat.

(Mr. C. S. Ranga Iyer got up to speak.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Honourable Member is not debarred from speaking if he wants to, but the Chair would remind the House that as 5 o'clock is approaching and the guillotine would fall, Non-Official Members would be deprived of the opportunity of hearing the Government reply.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): As the Honourable the Deputy President has reminded me that there are only five minutes between now and the guillotine, I will take only two minutes or one minute, leaving the Honourable the Home Member to comment on the situation arising from the discussion. After hearing the speech of my friend from Moradabad, all that I have got to say is that the policy of the Government has not been one of providing for equality and fraternity after the loss of liberty. We would rather ask for equality and fraternity behind prison bars, especially when there is a loss of liberty.

The Honourable Sir Harry Haig: Sir, the course of the debate has not left me a very long time in which to endeavour to deal with the various points that have been raised. The Honourable the Mover of the motion, Mr. S. C. Mitra, appeared to blame the Government of India for having

[Sir Harry Haig.]

interfered with the discretion of Local Governments by laying down certain rules for classification. Now, Sir, I could well understand my Honourable friend, Mr. Joshi, who, I see, is not in his place, taking the line that no person should live at a higher standard than the ordinary manual labourer and that, on that account, it is not reasonable for Government to recognise within the jails these social and economic distinctions. By another process of thought, my Honourable friend, Sir Muhammad Yakub, arrived at the same position. But, Sir, I do not understand that that is the case that Mr. Mitra wishes to put before the House, and, therefore, I find some difficulty in understanding why the Government of India should be censured for doing, in fact, what was the demand three years ago of the Members of this House, namely, that a further distinction in the classification of prisoners should be introduced. Before that time, there was one very limited class known as the Special Class in which a very few individuals were placed on special grounds.

When the question of revising the classification rules came under consideration, it was generally felt that it was desirable to interpose a class between that very limited special "A" Class—to which I notice that my Honourable friend, Mr. B. Das, thinks all Members of this Legislative Assembly are as of right entitled (Laughter),—and the "C" Class in which the ordinary prisoner naturally comes. Accordingly, a new class—"B" Class—was devised for persons of definitely superior status and economic condition and habit of life.

Now, I do not think that there is really any serious complaint as to the nature of the classification introduced by these rules. I do know, for there have been many questions directing my attention to this point in the House, that complaint is made that Local Governments do not always place prisoners precisely in those classes in which Honourable Members would desire to see them. Last September, that question was raised, and I was able to tell the House in connection with a representation which we received from an important Liberal Association in Western India that we had addressed Local Governments on the subject of the general principles of classification and had in fact assured ourselves that the Local Governments were fully cognizant of the principles that had been laid down and were fully applying those principles. I would remind the House that the classification is made in the first instance by the trial Courts and that it is open to revision by the Local Governments. The final responsibility rests on the Local Governments, but the Government of India have the responsibility of laying down the general principles and satisfying themselves that those general principles are observed.

Now, it has been said that in the case of, what are called, political prisoners, there is a policy of making the punishment vindictive, humiliating, barbarous—I do not know that I can enumerate all the adjectives which have been attached to this treatment of political prisoners. But, I think, Honourable Members may perhaps have a somewhat incorrect view of the actual conditions in our jails.

Mr. S. C. Mitra: Why then are there so many hunger-strikes?

The Honourable Sir Harry Haig: When I had occasion a few months ago to visit Ajmer

(It being Five of the Clock.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. The question is:

"That the demand under the head 'Home Department' be reduced by Rs. 100."

The motion was negatived.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,70,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Home Department'."

The motion was adopted.

DEMAND No. 33—PUBLIC SERVICE COMMISSION.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,51,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Public Service Commission'."

(At this stage an Honourable Member was leaving the Chamber.)

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): Order, order. No Honourable Member can leave the House when the Chair remains standing.

The motion was adopted.

DEMAND No. 34—LEGISLATIVE DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 3,04,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Legislative Department'."

The motion was adopted.

DEMAND No. 35—DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,43,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Department of Education, Health and Lands'."

The motion was adopted.

1920

LEGISLATIVE ASSEMBLY.

[10TH MARCH 1933.]

DEMAND No. 36—FINANCE DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 9,32,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Finance Department'."

The motion was adopted.

DEMAND No. 38—COMMERCE DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 3,51,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Commerce Department'."

The motion was adopted.

DEMAND No. 41—CENTRAL BOARD OF REVENUE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,71,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Central Board of Revenue'."

The motion was adopted.

DEMAND No. 42—PAYMENTS TO PROVINCIAL GOVERNMENTS ON ACCOUNT OF ADMINISTRATION OF AGENCY SUBJECTS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Payments to Provincial Governments on account of Administration of Agency Subjects'."

The motion was adopted.

DEMAND No. 43—AUDIT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 88,52,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Audit'."

The motion was adopted.

THE GENERAL BUDGET—LIST OF DEMANDS.

1921

DEMAND No. 44—ADMINISTRATION OF JUSTICE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 58,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Administration of Justice'."

The motion was adopted.

DEMAND No. 45—POLICE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,88,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Police'."

The motion was adopted.

DEMAND No. 46—PORTS AND PILOTAGE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 10,78,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Ports and Pilotage'."

The motion was adopted.

DEMAND No. 47—LIGHTHOUSES AND LIGHTSHIPS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 10,19,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Lighthouses and Lightships'."

The motion was adopted.

DEMAND No. 48—SURVEY OF INDIA.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 15,24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of the 'Survey of India'."

The motion was adopted.

DEMAND No. 49—METEOROLOGY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 17,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Meteorology'."

The motion was adopted.

DEMAND No. 50—GEOLOGICAL SURVEY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,73,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Geological Survey'."

The motion was adopted.

DEMAND No. 51—BOTANICAL SURVEY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,34,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Botanical Survey'."

The motion was adopted.

DEMAND No. 52—ZOOLOGICAL SURVEY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 83,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Zoological Survey'."

The motion was adopted.

DEMAND No. 53—ARCHÆOLOGY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 9,08,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Archæology'."

The motion was adopted.

DEMAND No. 54—MINES.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,20,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Mines'."

The motion was adopted.

DEMAND No. 55—OTHER SCIENTIFIC DEPARTMENTS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 2,66,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Other Scientific Departments'."

The motion was adopted.

DEMAND No. 56—EDUCATION.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,84,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Education'."

The motion was adopted.

DEMAND No. 57—MEDICAL SERVICES.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 6,17,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Medical Services'."

The motion was adopted.

DEMAND No. 58—PUBLIC HEALTH.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 6,58,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Public Health'."

The motion was adopted.

DEMAND No. 59—AGRICULTURE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 9,15,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934 in respect of 'Agriculture'."

The motion was adopted.

DEMAND No. 60—IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH DEPARTMENT

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 3,08,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Imperial Council of Agricultural Research Department'."

The motion was adopted.

DEMAND No. 61—CIVIL VETERINARY SERVICES.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,78,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Civil Veterinary Services'."

The motion was adopted.

DEMAND No. 62—INDUSTRIES.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,60,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Industries'."

The motion was adopted.

DEMAND No. 63—AVIATION.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 9,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Aviation'."

The motion was adopted.

DEMAND No. 64—COMMERCIAL INTELLIGENCE AND STATISTICS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 4,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Commercial Intelligence and Statistics'."

The motion was adopted.

DEMAND No. 65—CENSUS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 73,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Census'."

The motion was adopted.

DEMAND No. 66—EMIGRATION—INTERNAL.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Emigration—Internal'."

The motion was adopted.

DEMAND No. 67—EMIGRATION—EXTERNAL.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,89,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Emigration—External'."

The motion was adopted.

DEMAND No. 68—JOINT STOCK COMPANIES.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,15,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Joint Stock Companies'."

The motion was adopted.

DEMAND No. 69—MISCELLANEOUS DEPARTMENTS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Miscellaneous Departments'."

The motion was adopted.

DEMAND No. 70—INDIAN STORES DEPARTMENT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 4,67,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Indian Stores Department'."

The motion was adopted.

DEMAND No. 71—CURRENCY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 43,39,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Currency'."

The motion was adopted.

DEMAND No. 72—MINT.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 17,66,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Mint'."

The motion was adopted.

DEMAND No. 73—CIVIL WORKS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,82,33,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Civil Works'."

The motion was adopted.

DEMAND No. 74—SUPERANNUATION ALLOWANCES AND PENSIONS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 75,27,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Superannuation Allowances and Pensions'."

The motion was adopted.

DEMAND No. 75—STATIONERY AND PRINTING.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 35,22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Stationery and Printing'."

The motion was adopted.

DEMAND No. 76—MISCELLANEOUS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 6,10,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Miscellaneous'."

The motion was adopted.

DEMAND No. 76A—EXPENDITURE ON RETRENCHED PERSONNEL CHARGED TO REVENUE.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 6,45,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Expenditure on Retrenched Personnel charged to Revenue'."

The motion was adopted.

DEMAND No. 77—REFUNDS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 93,25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Refunds'."

The motion was adopted.

DEMAND No. 79—BALUCHISTAN.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 27,25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Baluchistan'."

The motion was adopted.

DEMAND No. 80—DELHI.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 42,25,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Delhi'."

The motion was adopted.

DEMAND No. 81—AJMER-MERWARA.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 13,67,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Ajmer-Merwara'."

The motion was adopted.

DEMAND No. 82—ANDAMANS AND NICOBAR ISLANDS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 31,60,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Andamans and Nicobar Islands'."

The motion was adopted.

DEMAND No. 83—RAJPUTANA.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 4,26,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Rajputana'."

The motion was adopted.

DEMAND No. 84—CENTRAL INDIA.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 3,43,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Central India'."

The motion was adopted.

DEMAND No. 85—HYDERABAD

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 2,63,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Hyderabad'."

The motion was adopted.

DEMAND No. 85A—ADEN.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 7,05,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Aden'."

The motion was adopted.

DEMAND No. 87—EXPENDITURE IN ENGLAND—HIGH COMMISSIONER FOR INDIA.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 24,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Expenditure in England—High Commissioner for India'."

The motion was adopted.

DEMAND No. 88—CAPITAL OUTLAY ON SECURITY PRINTING.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Capital outlay on Security Printing'."

The motion was adopted.

1930

LEGISLATIVE ASSEMBLY.

[10TH MARCH 1933.]

DEMAND No. 89—FOREST CAPITAL OUTLAY.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Forest Capital Outlay'."

The motion was adopted.

DEMAND No. 90—IRRIGATION.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Irrigation'."

The motion was adopted.

DEMAND No. 91—INDIAN POSTS AND TELEGRAPHS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty). The question is:

"That a sum not exceeding Rs. 15,78,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Indian Posts and Telegraphs'."

The motion was adopted.

DEMAND No. 93—CAPITAL OUTLAY ON CURRENCY NOTE PRESS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Capital Outlay on Currency Note Press'."

The motion was adopted.

DEMAND No. 94—CAPITAL OUTLAY ON VIZAGAPATAM HARBOUR.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 32,14,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Capital Outlay on Vizagapatam Harbour'."

The motion was adopted.

THE GENERAL BUDGET—LIST OF DEMANDS.

1931

DEMAND No. 95—CAPITAL OUTLAY ON LIGHTHOUSES AND LIGHTSHIPS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Capital Outlay on Lighthouses and Lightships'."

The motion was adopted.

DEMAND No. 96—COMMUTED VALUE OF PENSIONS.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 35,51,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Commuted Value of Pensions'."

The motion was adopted.

DEMAND No. 96A—EXPENDITURE ON RETRENCHED PERSONNEL CHARGED TO CAPITAL.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Expenditure on Retrenched Personnel charged to Capital'."

The motion was adopted.

DEMAND No. 98—INTEREST-FREE ADVANCES.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty). The question is:

"That a sum not exceeding Rs. 64,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Interest-free Advances'."

The motion was adopted.

DEMAND No. 99—LOANS AND ADVANCES BEARING INTEREST.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The question is:

"That a sum not exceeding Rs. 5,38,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Loans and Advances bearing Interest'."

The Assembly divided:

(After the bells had stopped ringing.)

Mr. Amar Nath Dutt: On a point of order, Sir; after the motion was put the Chair was pleased to observe "The Noes have it" and a division was not challenged by any Member of this House (Interruption) and so I submit that the Chair's 'No' is the final decision.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Chair's decision was that it thought that the Noes have it: a final decision has not been taken and a division had been challenged. The Chair has yet to give a final decision.

An Honourable Member: But they have not challenged it.

Mr. Deputy President (Mr. R. K. Shanmukham Chetty): The Chair said that it thought the Noes have it and a final decision was not given. The final decision will now be given. The question is:

"That a sum not exceeding Rs. 5,38,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1934, in respect of 'Loans and Advances bearing Interest'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Monday, the 13th March, 1933.



D
V2, 31 N33
N33.2