

INDEX
TO THE
COUNCIL OF STATE DEBATES
(OFFICIAL REPORT)
VOLUME I, 1942
(18th February to 2nd April, 1942)
ELEVENTH SESSION
OF THE
FOURTH COUNCIL OF STATE, 1942



PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI
PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, NEW DELHI
1943

Price annas 8 or 9d

Council of State

President :

THE HONOURABLE SIR MANECKJI DADABHOY, K.C.S.I., K.C.I.E.,
LL.D., BAR.-AT-LAW.

Panel of Chairmen :

THE HONOURABLE SIR DAVID DEVADOSS.
THE HONOURABLE MR. P. N. SAPRU.
THE HONOURABLE SIR MUHAMMAD YAKUB.
THE HONOURABLE MAHARAJADHIRAJA SIR KAMESHWAR SINGH OF
DARBHANGA, K.C.I.E.

Secretary :

THE HONOURABLE MR. SHAVAX A. LAL, C.I.E.

Committee on Petitions :

THE HONOURABLE RAJA CHARANJIT SINGH, *Chairman.*
THE HONOURABLE SIR RAMUNNI MENON.
THE HONOURABLE MR. P. N. SAPRU.
THE HONOURABLE PANDIT HIRDAY NATH KUNZRU.
THE HONOURABLE M. N. DALAL. } *Members.*

CONTENTS

Wednesday, 18th February, 1942—

Members Sworn
Resolution *re* Visit of Their Excellencies Generalissimo and Madame Chiang Kai-Shek—Adopted
Welcome to His Excellency the Commander-in-Chief
Question and Answer
Statements, etc., laid on the table

Information promised in reply to questions laid on the table

Messages from His Excellency the Governor General
Committee on Petitions
Congratulations to recipients of Honours

Governor General's Assent to Bills
Bills passed by the Legislative Assembly laid on the table

Death of Sir Akbar Hydarī
Presentation of the Railway Budget
Statement of Business

Monday, 23rd February, 1942—

Questions and Answers
Statements, etc., laid on the table
Information promised in reply to questions laid on the table

Bill passed by the Legislative Assembly laid on the table
Discussion of the war situation in secret session

Standing Committee on Emigration
Workmen's Compensation (Amendment) Bill—Considered and passed

Indian Merchant Shipping (Amendment) Bill—Considered and passed
Indus Vessels (Amendment) Bill—Considered and passed

Indian Medical Council (Amendment) Bill—Considered and passed
Indian Boilers (Amendment) Bill—Considered and passed

Multi-unit Co-operative Societies Bill—Considered and passed
Coffee Market Expansion Bill—Considered and passed

Tuesday, 24th February, 1942—

Questions and Answers
Standing Committee on Emigration
General Discussion of the Railway Budget, 1942-43

Thursday, 26th February, 1942—

Member Sworn
Questions and Answers
Bills passed by the Legislative Assembly laid on the table

Resolution *re* An Indian Defence Member—Adopted
Indian Companies (Amendment) Bill—Introduced

Resolution *re* Progress of the war—Not moved

Saturday, 28th February, 1942—

Presentation of the General Budget for 1942-43

PAGES.

Thursday, 5th March, 1942—

Statements, etc., laid on the table
General Discussion of the General Budget

Friday, 6th March, 1942—

Questions and Answers
Bill passed by the Legislative Assembly laid on the table

Resolution *re* Disposal of horses unfit for military service—Withdrawn
Resolution *re* Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman

Taraqqi-i-Urdu—Adopted
Indian Companies (Amendment) Bill—Considered and passed

Resolution *re* Formation of a Home Guard—Negatived
Statement of Business

Tuesday, 10th March, 1942—

Questions and Answers
Motion for Adjournment *re* Evacuees from Burma

Statements, etc., laid on the table
Central Advisory Council for Railways
Standing Committee for the Department of Communications

Standing Committee for Roads, 1942-43
Standing Committee for the Department of Supply

Standing Committee for the Department of Commerce
Indian Penal Code (Amendment) Bill—Considered and passed

Cotton Ginning and Pressing Factories (Amendment) Bill—Considered and passed

Indian Patents and Designs (Extension of Time) Bill—Considered and passed

Protective Duties Continuation Bill—Considered and passed
Statement of Business

Wednesday, 18th March, 1942—

Member Sworn
Questions and Answers
Motion for Adjournment *re* Evacuees from Burma—Withdrawn

Resolution *re* Subsidies to flying clubs—Withdrawn
Resolution *re* Standing Committee for the Civil Defence Department—Adopted

Resolution *re* Eastern Group Supply Council—Withdrawn
Central Advisory Council for Railway

Standing Committee for Roads, 1942-43
Standing Committee for the Department of Supply

Standing Committee for the Department of Commerce
Standing Committee for the Department of Communications

Resolution *re* Appointment of Indians in the Indian Corps of Engineers, etc.—*To be continued*
Statement of Business

	PAGES.		PAGES.
Friday, 20th March, 1942—		Resolution re Examination of the Law of Contempt of Court—Adopted . . .	454—469
Bills passed by the Legislative Assembly laid on the table . . .	347	Resolution re Expansion and speed up of the manufacture of war materials— <i>Postponed to 31st March, 1942</i> . . .	469
Monday, 23rd March, 1942—		Resolution re Inquiry into proprietary rights of land-owners in cantonments, etc.—Negatived . . .	469—482
Member Sworn . . .	349	Thursday, 26th March, 1942—	
Questions and Answers . . .	349—351	Member Sworn . . .	483
Statements, etc., laid on the table . . .	351—352	Bills passed by the Legislative Assembly laid on the table . . .	483
Standing Committee for the Department of Labour . . .	353	Tuesday, 31st March, 1942—	
Central Committee of the Tuberculosis Association of India . . .	353	Questions and Answers . . .	485—501
Standing Committee for the Department of Civil Defence . . .	353	Information promised in reply to questions laid on the table . . .	501
Indian Finance Bill—Motion to consider— <i>To be continued</i> . . .	353—384	Standing Committee for the Labour Department . . .	501
Tuesday, 24th March, 1942—		Standing Committee for the Department of Civil Defence . . .	501
Member Sworn . . .	385	Central Committee of the Tuberculosis Association of India . . .	502
Indian Finance Bill—Considered and passed . . .	385—437	Weekly Holidays Bill—Considered and passed . . .	502—503
Message from the Legislative Assembly . . .	406	Industrial Statistics Bill—Considered and passed . . .	503—506
Agricultural Produce (Grading and Marking) Amendment Bill—Considered and passed . . .	437	Resolution re Manufacture of war material—Negatived . . .	506—522
Indian Tolls (Army) Amendment Bill—Considered and passed . . .	437	Bill passed by the Legislative Assembly laid on the table . . .	522
Cantonments (Amendment) Bill—Consideration postponed to Wednesday, 25th March, 1942 . . .	438	Statement of Business . . .	522
Wednesday, 25th March, 1942—		Thursday, 2nd April, 1942—	
Message from the Legislative Assembly . . .	439	Questions and Answers . . .	523—527
Bills passed by the Legislative Assembly laid on the table . . .	439	Statement, etc., laid on the table . . .	528
Delhi Muslim Wakfs Bill—Motion for reference to Joint Committee . . .	439—440	Motor Vehicles (Amendment) Bill—Considered and passed . . .	528—529
Resolution re Appointment of Indians in the Indian Corps of Engineers, etc.—Adopted . . .	440—447	Notice of Motion for Adjournment re Australians, etc., in the Indian Army—Disallowed . . .	530
Cantonments (Amendment) Bill—Considered and passed . . .	447—454		

THE
COUNCIL OF STATE DEBATES
(OFFICIAL REPORT OF THE ELEVENTH SESSION OF THE FOURTH COUNCIL OF STATE)

VOLUME I—1942

COUNCIL OF STATE

Wednesday, 18th February, 1942.

The Council met in the Council Chamber of the Council House in New Delhi at Eleven of the Clock, being the first day of the Eleventh Session of the Fourth Council of State, pursuant to section 63D (2) of the Government of India Act. The Honourable the President (the Honourable Sir Maneckji Byramji Dadabhoy, K.C.S.I., K.C.I.E., LL.D., Bar.-at-Law) was in the Chair.

MEMBERS SWORN :

His Excellency General Sir Alan Fleming Hartley (Commander-in-Chief).
The Honourable Sir Leonard Wilson (Chief Commissioner for Railways).
The Honourable Mr. John Dawson Tyson (Education, Health and Lands Secretary).

RESOLUTION RE VISIT OF THEIR EXCELLENCIES GENERALISSIMO AND MADAME CHIANG KAI-SHEK.

THE HONOURABLE THE PRESIDENT : Honourable Members, I propose to give precedence to the Resolution which the Honourable the Leader of this House is about to propose regarding the visit of Generalissimo Chiang Kai-Shek to India.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : Sir, I beg to move :—

“That upon the occasion of the visit to India of Their Excellencies Generalissimo Chiang Kai-Shek and Madame Chiang, this Council do place upon record its high appreciation of the honour done thereby to India and its heartfelt admiration of the outstanding services rendered by the Generalissimo to China and the work in combating a power against whose aggression China and India are now happily allied.”

Sir, it has been a unique privilege for us to welcome the head of a neighbouring great country and his wife to this land of ours. We have many things

[Sir Firoz Khan Noon.]

in common and from times immemorial China and India have been bound together by a spiritual tie which we have shared and enjoyed throughout the past ages, and it is for this and many other reasons that from the day that China was attacked by a cunning, wily and merciless neighbour our hearts have always gone out to the Chinese people. I do not know of any person within the limits of India who does not wholeheartedly sympathise with the people of China in their great distress, and whenever we have read of the air attacks on the Capital of China where the Generalissimo and his wife have lived constantly and when we have read that not a single house remains unhit in that great city our hearts have bled with sympathy for the women and children and the poor people of Chungking and the whole of China. The Generalissimo's visit to this country has brought into existence a new bond of friendship and feeling between our two great countries and by their example the Chinese people have proved to us that when a people are determined to safeguard their freedom, their liberty and their honour, superiority in armaments cannot crush the soul of a great people; and I am sure that our great country will also join hands in greater force than ever with our noble and brave neighbours, the Chinese, in fighting this great danger that has arisen to the whole freedom, peace and prosperity of the East, in that Japan has decided to take possession by force of all the Eastern countries. I am sure that this visit to India will prove of great help to the Chinese leader and his wife in understanding the soul of this country and I feel that from now onwards India and China will march together hand in hand and that our friendship will be cemented by common and united sacrifice on our common frontier of India and China—I refer to Burma—and I have not the least doubt in my mind that there is nothing in the world that can crush the spirit of our two great nations and eventually, God willing, victory will be ours.

Sir, I beg to move the Resolution which stands in my name.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan): Mr. President, I give my wholehearted support to the Resolution which has been so eloquently and feelingly truer thing than when he said there is not a man or a woman in India who does not wholeheartedly sympathise with China in her troubles. The gallantry and spirit of endurance shown by the Chinese during the last four and a half years have won the admiration of the whole country and in leading the Chinese through the adversities that they have had to bear constantly during the last four years no one has played a greater or more glorious part than His Excellency Generalissimo Chiang Kai-Shek and Madame Chiang. They have not merely kept alive the torch of freedom which was handed to the Chinese people by Dr. Sun Yat Sen, but they have done all in their power to unite the Chinese and to make them feel that they are citizens not of a particular province or district but of China as a whole and the result is that Marshal Chiang Kai-Shek is today recognised as the national leader of China as perhaps no Chinese leader was before him. He is the symbol of national freedom and independence to every Chinese and the moral resistance that has been carried on gallantly by the Chinese even in the Japanese-occupied areas of China is to no small extent due to their confidence in their Generalissimo and the feeling of unity and enthusiasm which he has been able to evoke in them. The Chinese have borne more than we should have thought four and a half years ago that flesh and blood could endure, but their nationalism which has been strengthened

by Marshal Chiang Kai-Shek during the last 15 years has enabled them to bear what perhaps professional armies not inspired by a feeling of patriotism can never be expected to. We and China are united today in the same task and if the patriotism and national sentiment of the people of India were roused there need be no fear that we and China will be able to resist aggression successfully and to make the whole world feel that the force of the spirit is greater than that of arms.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan): Mr. President, I wish to associate myself with the Resolution that has been moved by the Leader of the House. The visit of the Generalissimo has been perhaps one which will remain unparalleled in the history of India. Two countries in distress, dire distress, have come together to think how they can get out of the danger. Japan is the common enemy of both, but while one has been fighting for four and a half years, the other is engaged in battle only for two and a half months. When we see how the Chinese have been moving swiftly and with a forcefulness which is unparalleled in the Pacific we realise how great has been the courage, the endurance and the fight which the Marshal has put up in China. To fight an enemy so ruthless, so energetic, so powerful as Japan for four and a half years is no joke. It is something which stands permanently to the credit of Marshal Chiang Kai-Shek and I feel that the best thanks and best appreciation that the Indian Government or for the matter of that His Majesty's Government can give of this visit is to help the Marshal as much as possible and as early as possible, because our one mistake has always been to be too late in the field. In India too we see the same thing; and abroad we have seen the same thing. In this material world soul force has not gained us many victories either in Poland, Holland, Belgium, Denmark, Norway, Old Servia, or Czecho-Slovakia and Greece. Ultimately we might win, but for the present soul force is swept away by material force. There is no doubt that the ruthless who are on the ascent now will be downed and ultimately there will be victory for right and justice. But can you bank on that today? I therefore appeal, Sir, that the best appreciation of the Marshal's visit is to help him and to give him that help as speedily as possible so that he may go back contented that his visit to India has brought fruit in the way in which he wished to have it.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadan): Sir, I rise to support the Resolution so ably moved by the Honourable the Leader of the House. I shudder to think what would be our fate but for the presence in Burma of the brave Chinese troops sent by the great Marshal. It is indeed a sad commentary that India has today been reduced to this state when she has to lean on the assistance of a country which only a few years back was disunited and weak which, thanks to the great Marshal and his noble consort, today has been able to resist the might of one of the greatest military powers in the world. How very different is all this from the conditions in this country which finds itself in such a miserable plight at the moment of its greatest emergency? This does not, however, affect the warmth of our welcome. In fact the warmth of our welcome is doubly enhanced by our helplessness.

THE HONOURABLE SIR RAMUNNI MENON (Nominated Non-Official): Sir, the expressions of appreciation and admiration contained in the Resolution and the setting which the Honourable the Leader has given to it in such felicitous terms are sure to receive the cordial and unanimous support of this Council. I would go further and say this. As has been implied in the

[Sir Ramunni Menon.]

speeches of the Honourable the Leader and some of the others who have followed him, the two distinguished visitors to this country, the Generalissimo and his consort, have, by their personality, their heroic achievements and by the valiant struggle which their country is putting up against a powerful and treacherous enemy, secured for themselves a high place in the esteem, respect and affection of the people of this country. The Generalissimo and his consort are among the most outstanding figures of the contemporary world and there can be little doubt that they are destined to play a leading part in the great drama that is now being enacted on the world stage. It must be a source of pride and pleasure to this country to be standing side by side with China, the country which these two visitors so truly represent and with which they are so honourably identified, and to be fighting against the common enemy that is threatening this country as much as theirs. Our visitors have come to this country at a time when it is passing through a period of gloom caused by the fall of Singapore and certain other misfortunes only of a less serious character which have befallen the Allies. Many people in this country, and perhaps elsewhere, often seem to forget that war is not a game in which the winning side can always count upon an uninterrupted series of successes from start to finish. Reverses and disasters are bound to happen. We must regard them as among the ordinary incidents of war. Here are two visitors among us who have probably gone through more military reverses and misfortunes than most other people and their presence in our midst should be a source of inspiration and good cheer to even the most chickenhearted among us.

One word more, Sir, and I shall finish. The enemy is at our door. We are in very grave peril. This is not the time for recrimination or bickering or political strategy. The perils of the time call for the fullest co-operation from all men and women in this country, irrespective of their political or religious or communal labels. Is it too much to hope that the presence of these two distinguished visitors among us will mark the birth of a new spirit in this country, a spirit of full-hearted co-operation and vigorous effort in the prosecution of the war, without which this country cannot make its full contribution to the success of the cause which is as much this country's as of Great Britain, or America, or Russia or China? I do hope we shall see a new spirit arising and I do hope this country will be stirred to put forth its maximum war effort, because it is only in that way that we can make our fullest contribution to the success of the war, the winning of which is so vital to all of us. It is only in that way that this country can claim her full share in the glory of the final victory which is assuredly awaiting the Allies.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce): Sir, I rise to join in the tribute paid by the Honourable the Leader of the House and other Members to these two magnificent guests of ours, the Marshal and his wife, two leaders whom we are proud to have among us, two leaders whom we are all glad to honour. Let us all in our turn do what we can in our struggle against the common enemy. Let us not even one of us leave any stone unturned in our efforts.

THE HONOURABLE THE PRESIDENT: Honourable Members, I desire wholeheartedly to associate myself with this Resolution which has been proposed by the Honourable the Leader of the House in a few but most significant words and which has been supported by the Honourable Leaders of the several Parties

in this House. The Resolution which has been placed before you is of a two-fold character. In the first instance, it expresses our satisfaction and our pleasure at the visit of such distinguished guests from China, and secondly, it expresses our admiration regarding the outstanding ability and achievements of the Generalissimo, the greatest leader which China has seen. We all know that genuine satisfaction is felt all over India by the visit of these two distinguished guests of ours, and also that it has caused considerable gratification and pleasure in China itself. The visit of these two distinguished guests from China, I have no doubt, will cement and consolidate the friendship between China and India and their joint collaboration on this important occasion will help to solve many of our difficult problems, both military and economic, and their joint action will bring results satisfactory so far as our success is concerned in the prosecution of the war. The Generalissimo has brought us hope and cheer from China and his promise that China will stand abreast of us and will help us to fight this war is a great consolation and comfort to us all in India. When our late Commander-in-Chief, Sir Archibald Wavell, visited Chungking the other day it was apparent that we shall receive in return before long a visit from Their Excellencies and I am very pleased that no time has been lost and that the visit of Their Excellencies has proved most useful and appropriate on this occasion. I will not detain the Council as we have got much important work to do this morning, but I would say that their visit will provoke a genuine feeling of consolation and comfort in our minds that we have got a very strong and steadfast ally in so far as the Far East is concerned in China who will share our troubles and misfortunes and who will help us to win this war. With these words I put this Resolution to the vote of the Council.

Resolution moved :—

"That upon the occasion of the visit to India of Their Excellencies Generalissimo, Chiang Kai-Shek and Madame Chiang, this Council do place upon record its high appreciation of the honour done thereby to India and its heartfelt admiration of the outstanding services rendered by the Generalissimo to China and the work in combating a power against whose aggression China and India are now happily allied."

Question put and Resolution carried unanimously.

WELCOME TO HIS EXCELLENCY THE COMMANDER-IN-CHIEF.

THE HONOURABLE THE PRESIDENT: Honourable Members, as we are very short of time today, under the powers vested in me I shall adjourn the questions which are marked down for this morning to the next meeting but I shall ask the Honourable Raja Yuvraj Dutta Singh to put his question No. 1 only and then call upon His Excellency the Commander-in-Chief to give his reply. I may take also this opportunity on behalf of this Council to welcome His Excellency the Commander-in-Chief to our House this morning. His Excellency is no stranger to us. He has spent nearly 40 years of his very useful and exceedingly brilliant career in this country as a military officer in various high capacities and has rendered most distinguished service to the Indian Empire. We are very glad to see him amongst us this morning and we are confident that he will follow in the footsteps of his two immediate predecessors who, during the short time they held this exalted office in this country, gained the appreciation of, and a large measure of popularity with, their colleagues in this Council. On your behalf and for myself also I shall express the hope

[Mr. President.]

that the career of His Excellency the Commander-in-Chief in India during these most arduous and difficult times in this country will meet with a full measure of success. (Applause.)

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, I thank you from the bottom of my heart for the very kind words of welcome which you have extended to me and I can assure you that I shall endeavour to serve this House and follow in the footsteps of my two immediate predecessors to the utmost of my ability.

QUESTION AND ANSWER.

INDIAN TROOPS.

1. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government make a statement relating to the notable achievements of the Indian troops in the various theatres of war, subsequent to the statement made by His Excellency the Commander-in-Chief on the floor of this House, in answer to a question of mine in the last November session ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, as one who has served in the Indian Army for nearly forty years, and whose proud privilege it is to conclude that service as Commander-in-Chief, it is, as Honourable Members must appreciate, a source of great pride and satisfaction to have seen that army acquit itself with outstanding distinction in this greatest war of all time. Unlike my two distinguished predecessors, I have not so far had the opportunity of seeing or commanding formations of British and Indian troops from this country in the actual fields of operations against the Axis. But many of the units whose skill and determination were in large part responsible for some of the most outstanding victories achieved by the British Commonwealth in the Middle East, previously served with me on our North West Frontier. I know them, and I know the stuff of which they are made, and I never doubted that their performance would fail to equal that of any of their comrades in the field.

Events have moved fast and far since my predecessor, General Wavell, in last November gave an account to this House of the achievements of Indian troops in the various theatres of war. A few days after he spoke to you last November, General Auchinleck struck at the German and Italian armoured strength arrayed on the borders of Cyrenaica. It was the first offensive in the shape of an armoured and aerial blitz which the Commonwealth has been in a position to launch since the war began.

Scarcely three weeks later Japan, while talking peace, dealt those heavy and treacherous blows which spread the flames of war to the Far East. On both the Fronts, which as you know we have always alluded to as the bastions of India's defence, and which as long as securely held prevent active warfare reaching the shores of India, Indian and British formations from this country were immediately involved. But while to the West our troops repeated the triumphs of Sidi Barrani, East Africa, Syria, Iraq and Iran, those in the East were exposed to the concentrated might of a great and long prepared military and naval power. The self-sacrifice and the heroism of these from India, who fought step by step as they withdrew in the face of overwhelming odds on the Malayan Peninsula, merits no less recognition than the great part played by the 4th Indian Division in North Africa.

Honourable Members will not expect me to describe in detail the actions in which the 4th Indian Division so distinguished itself in the battle with General Rommel. Suffice it to say that the Division never failed to achieve the successive objectives for which it was made responsible. The reduction of Sidi Omar and Libyan Omar, the Battle of Bir El Gubi, and the final full-dress action in the vicinity of Gazala represented the four main stages from the Division's point of view, of the giant operation which broke the hold which the Axis then had in Cyrenaica.

It is fitting too, I conceive that due recognition should be given on the floor of this House to the magnificent fighting spirit and achievements in this particular operation of the British battalions and British gunners with the 4th Indian Division. The Royal Sussex Regiment at Sidi Omar, the Camerons at El Gubi, and the stand of the Buffs at Gazala, were outstanding contributions to the success and to the high tradition of the 4th Indian Division. Nor must we forget the artillery. In many respects the battle in Cyrenaica turned out to be a gunners' battle, and to them goes no small share of the credit for the destruction of a high proportion of the German and Italian armoured formations.

As Honourable Members must have seen in the newspapers, the 4th Indian Division was actively engaged in maintaining contact with the enemy on the Egyptian border throughout the pause between June of last year and the middle of November. There were a series of small actions arising from patrols seeking to find out as much as possible about the enemy's dispositions. When our assault in November began, the 4th Indian Division first deprived the German raiding column of a tank proof sanctuary provided by the fortified positions round Sidi Omar.

Following further success at Libyan Omar, the Division drove on as the leaders of the infantry advance behind the British armoured forces, and finally became involved in the pursuit of the defeated Axis armies from Gazala onwards. Taking the coastal route by Derna and Giovanni Berta, units of the Division beat down in quick succession every delaying position the enemy tried to hold and lost little time in reaching Cirene, Barce and Benghazi.

Formations from the 4th Indian Division, particularly the 5th Indian Infantry Brigade, which was involved in the Syrian operations, have been almost continuously in action since late in 1940. And never once have their exemplary discipline and fighting spirit flagged.

Reference must also be made here to certain Units of the 5th Indian Division which accomplished a striking thrust from Siwa, in the south of the Egyptian Desert, and captured the Italian garrison of the useful but lonely oasis of Jalo far in the interior of Cyrenaica. That little operation was carried out with a dash and determination which achieved a well deserved and conspicuously inexpensive success.

By this time General Rommel had withdrawn south of Jidabaya, where a combination of terrible weather and communications which were stretched to many hundreds of miles prevented General Auchinleck from following him up in force. Honourable Members will recall that, at the beginning of our Western Desert offensive in November last, rain in Cyrenaica seriously handicapped the German Air Arm giving support to their ground forces. Unprecedented storms and rain swept over Cyrenaica in January, where this time it was our forces who had to suffer all the impediment of bogged communications, and unserviceable aerodromes. As a result, General Rommel was able to reform his battered units and with the help of reinforcements which had got through

at some cost across the Mediterranean, to launch a counter-offensive against the forward units of the 8th Army.

This counter-offensive began in early January. The 4th Division, for which there had been some prospect of well-earned rest and respite at Benghazi, naturally became again immediately involved and fierce fighting took place.

The 7th Indian Infantry Brigade was south of Benghazi and was cut off by columns of German tanks which cut the road north of the town. Efforts by the remainder of the 4th Indian Division to break through to the rescue of the beleaguered party were unavailing, and it appeared that the whole of the 7th Brigade, and also a part of the 5th Brigade, would be lost. For two days there was silence, and the worst was feared. Then the 7th Brigade suddenly appeared back in our lines west of Tobruk. It is one of the most thrilling stories of the war. The Brigade was led out of the trap, not to the north and east as the Germans expected, but to the south west. Right through the German lines they went, and then turning east made their way back. On the way they frequently passed enemy columns; but by a combination of bluff and boldness managed to deceive the Germans and so got through safely. Full details are not yet available, but it is believed that most of this personnel of the Brigade have escaped, although they lost a certain amount of vehicles and equipment.

In the meantime the remainder of the 4th Indian Division was carrying out a fighting retreat to the north of the hills. Closely followed by the enemy, who constantly attempted to encircle them or break through the rearguards, the 5th and 11th Indian Infantry Brigades safely rejoined the main body of the 8th Army near Gazala. This retreat was excellently carried out. I can now say that the military education of this great Division is complete; for now they have had their first experience of what a Retreat means.

I should like to tell Honourable Members what a highly placed British Service Officer on a visit from the Middle East to Delhi said to me the other day about the 4th Indian Division. He said that it was the finest fighting formation at present in the Empire. It is pleasant to hear that from a completely unprejudiced observer. And in a message received from the Middle East a week ago, I was delighted to read that in spite of their present setbacks the morale of this famous Division is as just high as ever.

I must now turn to the grim picture on our Eastern flank. Here our Indian soldiers have been engaged in a number of retreats and desperate defences, and I fear our losses have been heavy. The first serious reverse, in which Indian troops shared with British and Canadians a heavy sacrifice, was in Hong Kong. There the 5th Battalion, 7th Rajput Regiment, and the 2nd Battalion, 14th Punjab Regiment, the Hong Kong Mule Corps, the Hong Kong Singapore Royal Artillery and Medical personnel, were involved in the capitulation after a short, but determined, struggle. They had had to hold great frontages with little force—four miles to a battalion. They had been faced by odds of about four to one without any air support at all. A contributory cause of the surrender was the destruction of the water supply. The garrison had done its best. It is an honourable defeat. A British Army officer who managed to escape has spoken enthusiastically of the great fight put up by our Indian soldiers.

To turn to another theatre of war. In the north of Malaya, Indian Gurkha and British battalions, including Indian States Forces battalions, met the initial Japanese onslaught. Without any declaration of war, the Japanese

launched large forces, amounting to four Divisions, from Southern Siam and drove bald-headed for Northern Malaya. Admirably equipped for the purpose and with large numbers which enabled them to land strong bodies on the coast in the rear of our positions, their direct assault could not possibly be stemmed for any length of time with the forces at our disposal. As Honourable Members are well aware the enemy had, in addition, superiority at sea and in the air. The fall of Singapore is a great though not crushing defeat. I have few details of the actual engagements in which our men took part, and now it is unlikely that we shall know the full story until later.

You will have seen in the papers today the list of units present in Singapore. I must not give any further details; as to do so would merely give the Japanese information with which to check their captures. It is not likely that any whole units have escaped, but small parties may have been able to get away. I cannot, however, hold out much hope. The loss of these brave men, as well as of their valuable equipment, is of course most serious.

There is just one thing I should like to mention. Fantastic stories have been put about by the enemy of desertions by Indian troops. All I can say is this. Far from deserting in the heart-breaking conditions in which they found themselves, large bodies which were from time to time cut off by Japanese landings in the rear, or by infiltration, refused to surrender and forced their way back by jungle tracks after immense exertions. And this happened, I would have you note, time and time again, when it would have been so easy to surrender and have done with it all.

In Burma also, as you know, Indian troops have been fighting against a strong attack; and have been slowly pushed back. The stoutness of their defence has given time for some reinforcements to reach that country. In the north, Chinese troops have come into Burma and taken over a section of the front in protection of their life line, the Burma Road. The unity and common interest of India and China is shown by the visit of the Generalissimo Chiang Kai-Shek. Our troops and his are now fighting alongside each other.

In spite of our present situation, there is no cause for loss of heart. Admittedly our losses are grievous and the situation is serious, but in other wars, as well as in this, we have pulled through from even graver situations. But I must warn you. We must be prepared for more bad news before the tide turns. We must be prepared for attacks on our shipping on the seas; and we must be prepared for attacks on this land of India from the air and by bombardment from the sea, and we may even have to face the possibility of a landing. One thing is quite certain and that is that the enemy will lose no opportunity for spreading panic and undermining the morale of the people.

We must face these threats in a spirit of calmness. To brave men danger is an incentive to additional effort. I am able to tell you military preparations to meet the new situation are well in hand. But we *must* have equipment to replace our losses, and I urge all men in the factories, in the mills and in the workshops to work as they have never worked before. I will repeat the Prime Minister's famous message, "Give us the tools and we will finish the job". We, in this case, means the soldiers, sailors and airmen of India. And I say that on the workmen of India lies the responsibility for providing the sinews of war to keep the horrors of conflict away from our fields and from our cities.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): Sir, I lay on the table copies of the Declarations and Orders of Exemption under section 6

of the Registration of Foreigners Act, 1939, as published with the notifications of the Government of India in the Home Department :—

- (1) No. 1/20/41-Political (E), dated the 11th November, 1941,
- (2) No. 1/26/41-Political (E), dated the 6th December, 1941,
- (3) No. 1/19/41-Political (E), dated the 3rd January, 1942,
- (4) No. 1/20/41-Political (E), dated the 15th January, 1942,
- (5) No. 1/4/42-Political (E), dated the 29th January, 1942, and
- (6) No. 1/5/42-Political (E), dated the 4th February, 1942.

Declaration of Exemption.

No. 1/20/41-Political (E), dated the 11th November, 1941.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Miss Mildred Monroe an official attached to the Consulate for the United States of America at Bombay and Mr. Chief Yeoman William Francis Hauck, an official attached to the United States Naval Observer at Bombay, so long as they hold a post in the Consulate and in the office of the United States Naval Observer at Bombay respectively.

V. SHANKAR,

for Deputy Secretary to the Government of India.

Declaration of Exemption.

No. 1/26/41-Political (E), dated the 6th December, 1941.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Mr. Emanuel Mazac, an official attached to the Czechoslovak Consulate in Bombay so long as he holds a post in that Consulate.

H. J. FRAMPTON,

Deputy Secretary to the Government of India.

Order.

No. 1/19/41-Political (E), dated the 3rd January, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of sub-rule (3) of rule 7 and of sub-rule (1) of rule 15 of the Registration of Foreigners Rules, 1939, shall not apply to, or in relation to, Mr. J. L. McCormack, a special representative of the United States Maritime Commission, on any occasion on which he departs from British India by sea with the object of proceeding to ports outside India in the course of his duties.

H. J. FRAMPTON,

Deputy Secretary to the Government of India.

Declaration of Exemption.

No. 1/20/41-Political (E), dated the 15th January, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Lt. Phillips Talbot, United States Naval Observer at Bombay, so long as he continues in that post.

V. SHANKAR,

Deputy Secretary to the Government of India.

Declaration of Exemption.

No. 1/4/42-Political (E), dated the 29th January, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except Rule 8, shall not apply to, or in relation to, Mr. W. D. Pawley, President of the Intercontinent Corporation.

V. SHANKAR,

Deputy Secretary to the Government of India.

Declaration of Exemption.

No. 1/5/42-Political (E), dated the 4th February, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of rule 10 of the Registration of Foreigners Rules, 1939, shall not apply to, or in relation to, Dr. N. H. Gass and Dr. D. O. Sendel, so long as they are members of the Mixed Medical Commission appointed by the Defence Department, Government of India.

V. SHANKAR,

Deputy Secretary to the Government of India.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary) : Sir, I lay on the table a copy of the notification of the Government of India in the Home Department No. 1/3/41-Political (E), dated the 27th October, 1941, making certain further amendment in the Declarations published with the notification of the Government of India in the Home Department No. 21/32/39-Political, dated the 21st June, 1939.

Notification.

No. 1/3/41-Political (E), dated the 27th October, 1941.—In exercise of the power conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to direct that the following further amendment shall be made in the Declarations published with the Notification of the Government of India in the Home Department, No. 21/32/39-Political, dated the 21st June, 1939, namely :—

In clause (e) of Declaration 3 of the said Declarations after the word "State" the words "except China" shall be inserted.

H. J. FRAMPTON,

Deputy Secretary to the Government of India.

THE HONOURABLE MR. SHAVAX A. LAL (Nominated Official) : Sir, I lay on the table copies of—

- | | |
|--|---|
| (1) Notification No. F. 12 (3)/41-General, dated the 22nd April, 1941, | } amending the Delhi Motor Vehicles Rules, 1940 ; |
| (2) Notification No. F. 12 (3)-II/41-General, dated the 14th June, 1941. | |
| (3) Notification No. 1179/35/40 M. V., dated the 7th June, 1941, amending the British Baluchistan Motor Vehicles Rules, 1940 ; | |
| (4) Notification No. 245-C/W. F. 111/40-(2), dated the 26th July, 1941, amending the Ajmer-Merwara Motor Vehicles Rules, 1940 ; | |
| (5) Notification No. 1763/W. F. 111/40-(2), dated the 6th October, 1941, amending the Ajmer-Merwara Motor Vehicles Rules, 1940 ; | |

- (6) Notification No. A-3-2338/41, dated the 6th December, 1941, amending the Coorg Motor Vehicles Rules, 1940; and
- (7) Notification No. F. 12 (45)/41-General, dated the 16th December, 1941, amending the Delhi Motor Vehicles Rules, 1940.

THE CHIEF COMMISSIONER, DELHI.

NOTIFICATION.

Delhi, the 22nd April, 1941.

No. F. 12 (3)/41-General.—In exercise of the powers conferred by section 68 of the Motor Vehicles Act, 1939, read with the Notification of the Government of India in the Department of Communications, No. R-60, dated the 28th June, 1939, the Chief Commissioner is pleased to make the following amendment in the Delhi Motor Vehicles Rules, 1940, the same having been previously published with his Notification No. F. 12 (3)/41-General, dated the 23rd January 1941 :—

Amendment.

- I. The existing rule 4.1 shall be renumbered as sub-rule (1) of rule 4.1.
- II. After sub-rule (1) of rule 4.1 the following sub-rule shall be inserted, namely :—

“(2) A non-official member of the Provincial Transport Authority shall be entitled to receive a fee of eight rupees for every day on which he attends a meeting of the Authority, and any such member performing any journey under the orders of the Chairman in connection with the business of the Authority, other than a journey to attend a meeting of the Authority, shall be entitled to receive travelling and halting allowances at the scale and on the conditions admissible to a Central Government servant of the First Grade, the halting allowance for this purpose being taken as eight rupees a day.”

A. V. ASKWITH,
Chief Commissioner, Delhi.

THE CHIEF COMMISSIONER, DELHI.

NOTIFICATION.

Delhi, the 14th June, 1941.

No. F. 12 (3)-II/41-General.—In exercise of the powers conferred by sections 21 and 41 of the Motor Vehicles Act, 1939, read with the notification of the Government of India in the Department of Communications, No. R-60, dated the 28th June, 1939, the Chief Commissioner is pleased to make the following rules, the same having been previously published with his Notification No. F. 12 (3)-II/41-General, dated the 23rd April, 1941 :—

Rules.

1. Notwithstanding anything contained in the Delhi Motor Vehicles Rules, 1940, no fee shall be charged for the issue or alteration of certificates of registration relating to motor vehicles which are the property of personnel of the Nepalese Contingent in India or for the examination or inspection of such motor vehicles.
2. If any member of the Nepalese Contingent in India shall have paid or shall hereafter pay a fee for the issue or renewal of a license to drive a motor vehicle or for undergoing a test of competency to drive the fee shall on his application be refunded to him.

A. V. ASKWITH,
Chief Commissioner, Delhi.

THE CHIEF COMMISSIONER OF BRITISH BALUCHISTAN.

NOTIFICATION.

Quetta, the 7th June, 1941.

No. 1179/35-40/M. V.—In exercise of the powers conferred by Section 21 of the Motor Vehicles Act, 1939 (VI of 1939) the Chief Commissioner of British Baluchistan is pleased to direct that the following amendments shall be made to the British Baluchistan

Motor Vehicles Rules, 1940, published in the Notification No. 347/M. V., dated the 1st April 1940 printed at pages 841 to 982 of the *Gazette of India*, Part II-A, dated the 27th April 1940 :—

In the First Schedule of the said Rules substitute the following :—

- (a) for the heading “Hill Roads” the heading “Roads in British Baluchistan”.
- (b) after the said heading as so substituted and the entries thereunder the following headings and entries be inserted :—

“Roads in the Tribal Areas of Baluchistan.”

1. Saidak to Kachaw.
 2. Smallan to Dalkuna.
 3. Kachaw to Robat.
 4. Smallan to Aiaratsari.
 5. Murgha Kibzai to Musakhel.
 6. Mekhtar to Kingri.
 7. Hosri to Barkhan.
 8. Kapip to Dhanasar.
 9. Fort Sandeman to Shengar.
 10. Fort Sandeman to Mughalkot.
 11. Mani Kawa to Ahmedi Darga.
 12. Nisai to Murgha Faqirzai.
 13. Fort Sandeman to Gul Kachh.
 14. Gawal Haiderzai to Marakalai.
 15. Fort Sandeman to Babar.
 16. Lakaband to Gurlana.
 17. Fort Sandeman to Shaighalu.
- “Roads in the Leased Areas of Baluchistan.”
1. Quetta to mile 25, 1·7 furlong on Quetta-Ziarat Road.
 2. Kolepur to Rindli.
 3. Zawarkar to Main Quetta-Ziarat Road near Sarantangi.

By Order,

R. A. C. HILL,

*Secretary to the Agent to the Governor-General
and Chief Commissioner in Baluchistan in
the Police Department.*

THE CHIEF COMMISSIONER, AJMER-MERWARA.

NOTIFICATION.

Camp Ajmer, the 26th July, 1941.

No. 245-C/W. F. 111/40-(2).—The Chief Commissioner is pleased to make the following amendment in the Ajmer-Merwara Motor Vehicles Rules, 1940, published with his Notification No. 1141/34-W/38-III, dated the 12th June, 1940, the amendment having been previously published in this Administration's Notification No. 137-C/111-W/40, dated the 7th February, 1941 :—

In rule 6.1 (a) of Chapter VI—Control of Traffic—for the words “eight tons” in line 4 substitute the words “five tons” and for the words “five tons” in lines 5 and 6 substitute the words “three tons”.

By Order,

T. B. CREAGH COEN,

Secretary to the Chief Commissioner, Ajmer-Merwara.

THE CHIEF COMMISSIONER, AJMER-MERWARA.

NOTIFICATION.

Abu, the 6th October, 1941.

No. 1763/W. F. 111/40 (2).—The Chief Commissioner is pleased to make the following amendments in the Ajmer-Merwara Motor Vehicles Rules, 1940, published with his Notification No. 1141/34-W./38-III, dated the 12th June, 1940, the amendments having been previously published in this Administration's Notification No. 2216/111-W./40, dated the 13th December 1940 :—

(i) At the end of Chapter II—Licensing of Drivers of motor vehicles—add the following rules—

“ 2.20. *Refund of license fees.*—Any person serving with His Majesty's forces outside India, who, at the time he left this country, held a current license, granted under the provisions of the Indian Motor Vehicles Act of 1914, and who, owing to his absence from India, failed to apply for a new license within twelve months from the commencement of the Act, shall be given a refund of Rs. 2 from the full fees leviable under sub-section (8) of section 7 of the Motor Vehicles Act, 1939, provided he applies for the license within a reasonable time after his return to India.

2.21. *Refund of fees for renewal of license.*—For the purpose of section 11 (3) of the Motor Vehicles Act, 1939, absence from India on service with His Majesty's forces shall be deemed to be “good cause” of delay in applying for renewal of a license provided that application is made within a reasonable period after return to India. In such cases as in rule 2.20 the additional fee of Rs. 2 shall be refunded.”

(ii) For the last sentence of rule 2.4 (c) of Chapter II “It shall not be refunded in any circumstances.” substitute the sentence “It shall not be refunded save to a person who held a current license granted under the provisions of the Indian Motor Vehicles Act, 1914, and was prevented from renewing the license within the time prescribed under section 6 (b) of the Motor Vehicles Act, 1939, by reason of his having served in the Army, Navy or Air Force outside India.”

By Order,

M. WORTH,
Secretary.

THE CHIEF COMMISSIONER OF COORG.
NOTIFICATION.

Dated, Mercara, the 6th December, 1941.

No. A-3-2338/41.—In exercise of the powers conferred by sections 21, 41, 65, 68, 70, 71 (2), 73, 74, 75, 77, 80, 86 (2), 88, 90 and 91 of the Motor Vehicles Act, 1939 (Act IV of 1939), and the notification of the Government of India, Department of Communications, No. R. 60, dated the 28th June, 1939, the Chief Commissioner is pleased to make the following amendments to the Coorg Motor Vehicles Rules, 1940, issued with his Notification No. R. F. 43/121-39, dated the 26th March, 1940 :—

Amendments.

In the said rules—

CHAPTER II.

1. In rules 3 and 6 (a) for the words “District Superintendent of Police” substitute the words “Secretary, Provincial Transport Authority, Coorg” and “Licensing Authority” respectively.

2. In rules 4 (a) and (b) for the words “Provincial Transport Authority” substitute the words “Licensing Authority.”

3. In rules 4 (c), (e) and (f) for the word “appropriate” substitute the word “Licensing”.

4. In rule 4 (d), after the words “may appoint” add the following :—

“and may in the case of the holder of a licence issued outside the Province require the applicant to pass the test, as set forth in the third schedule to the Act notwithstanding that the applicant shall previously have passed the test”.

5. In rule 5, delete the words “or the Provincial Transport Authority”.

6. To rule 6 (c), add the following proviso :—

“Provided that no fee shall be charged for the test if the applicant previously held a licence under the Indian Motor Vehicles Act, 1914, to drive a vehicle of the class to which the application refers and was prevented by reason of absence out of India on service connected with the present war from obtaining a licence in accordance with the provisions of section 7 (6) (b) of the Act or if the applicant held a licence under the Act to drive a vehicle of the class to which the application refers and was prevented for the same reason from obtaining a renewal of the licence”.

7. In rule 7 for the words “Chief Commissioner” substitute the words “Provincial Transport Authority”.

8. In rule 7 (c) for the words “appropriate” and “Chief Commissioner” substitute the words “Licensing” and “Provincial Transport Authority” respectively.

9. To rule 18, add the following proviso :—

“Provided that no fee shall be charged for the test if the applicant previously held a licence under the Indian Motor Vehicles Act, 1914, to drive a vehicle of the class to which the application refers and was prevented by reason of absence out of India on service connected with the present war from obtaining a licence in accordance with the provisions of section 7 (6) (b) of the Act or if the applicant held a licence under the Act to drive a vehicle of the class to which the application refers and was prevented for the same reason from obtaining a renewal of the licence”.

CHAPTER III.

10. In rule 23 for the words “District Superintendent of Police” substitute the words “Secretary, Provincial Transport Authority”.

11. In rule 24 (b) for the words “Chief Commissioner” and “one month” substitute the words “Secretary, Provincial Transport Authority” and “seven days” respectively.

12. In rule 25 (c), delete the words “or the Inspector of Motor Vehicles as the case may be”.

13. In rule 29 (a), substitute the following for clause (iv) :—

“in the case of Passenger Transport Vehicles, the number of passengers (excluding driver and conductor), specified in the permit of the vehicle denoted by Pass.....”.

14. In rule 30 (b), delete the words “Registering Authority”.

15. To rule 30 (c), add the following proviso :—

“Provided that the vehicle need not be so produced if the owner proposes not to renew the certificate or if the vehicle is transferred to and kept in the area of another Registering Authority or Inspector of Motor Vehicles. In either of these cases the owner shall before the date fixed for inspection inform the authority who made the endorsement in writing that, he does not propose to produce the vehicle giving the reason”.

16. Substitute the following for rule 30 (g) :—

“(g) The fee for the issue and renewal of certificate of fitness shall be ten rupees in the case of a motor cab and twenty rupees in the case of a transport vehicle other than a motor cab : Provided that a concessional fee of Rs. 15 will be levied on buses and lorries which already hold a current fitness certificate either from Madras or Mysore. The certificate shall be valid for six months”.

17. In rule 33 (a) (v), after the words "certificate of registration" add "or trade certificate".
18. After rule 33 (a) (v), add the following :—
- (vi) In respect of a trailer rupees five.
19. After rule 33 (c), add the following :—
- "(d) *Registration fee—exemption.*—The Provincial Government may by notification in the official gazette make an exemption in regard to the registration fees payable in respect of any motor vehicle or class of motor vehicles".

CHAPTER IV.

20. In rule 43 (f), after the words "Provincial Transport Authority", add the following :—
- "For persistent failure to attend meetings of the Provincial Transport Authority or for any other reason which they deem adequate".
21. After clause (i) of rule 44, insert the following :—
- "(j) *Correspondence to be addressed to Provincial Transport Authority.*—All correspondence intended for the consideration of the Provincial Transport Authority shall be addressed to the Secretary of the Provincial Transport Authority. No action shall be taken on any correspondence which is not so addressed".
- "(k) *Executive officer to give effect to decisions.*—All decision of the Provincial Transport Authority shall be carried into effect by the Secretary".
- "(l) *Appointment of persons to authenticate documents.*—The Secretary member may with the approval of the Provincial Transport Authority appoint persons to authenticate documents and perform other duties on his behalf".
22. In rule 49 (a), after the words "shall be" add "in duplicate".
23. After sub-rule (b) of rule 49, add the following as sub-rule (c) :—
- "(c) *Refusal to accept applications for permits—Power of Provincial Transport Authority.*—When the Provincial Transport Authority has in exercise of its powers under the Act imposed a limit upon the number of permits of any class which may be granted for a specified route or a specified area and has already granted such number of permits of that class, the authority may decline to receive further applications for such permits in respect of any such route or area".
24. After sub-rule (b) of rule 58, add the following as sub-rule (c) :—
- "(c) *Permit to be deemed to be renewed if orders are not passed on application.*—If an application for the renewal of a permit has been made in accordance with these rules and the prescribed fee paid by the prescribed date, the permit shall continue to be effective until orders are passed on the application and if orders on the application are not passed within three months from the date of receipt of the application the permit shall be deemed to have been renewed for the period mentioned in the application or for one year whichever is less".
- 24-A. In rule 62 for the letter "f" after the words "sub-section" substitute a figure "(1)".
25. In rule 63 (d), after the words "Transport Authority" in the second line add "or any Police officer of or above the rank of Sub-Inspector of Police".
26. After sub-rule (c) of rule 64, add the following as sub-rule (d) :—
- "(d) *Variation of permit by inclusion of additional vehicle—Fee.*—The following fee shall be paid for the variation of a permit by the inclusion of an additional vehicle or

(1) If the unexpired period of the permit exceeds 9 months	Rs.
(2) If the unexpired period exceeds 6 months	16
(3) If the unexpired period exceeds 3 months	12
(4) If the unexpired period is less than 3 months	8
for each additional vehicle".	4

27. In rule 65 (b), after the words "any Police officer in uniform" add the words: "Magistrate or Inspector of Motor Vehicles".

28. (i) Renumber rule "73" as rule "73 (a)".
- (ii) In clause (viii) of rule 73 (a) as so renumbered for the words "Certificate of registration of the vehicle and any additional number permitted under the terms of the permit to be carried standing in the vehicle"; substitute the following :—
- "permit of the vehicle".
29. After clause (xiv) of rule 73 (a), insert the following clause :—
- "(xv) shall not while on duty, be under the influence of drink or drug to an extent, rendering him incapable of discharging his duties properly".
30. After rule 73 (a), insert the following :—
- "(b) *Responsibility of driver of vehicle on which there is no conductor.*—The driver of a public service vehicle on which there is no conductor shall be responsible for the observance of the provisions of clauses (i) to (xvi) of rule 73 (a)".
- "(c) *Stage carriage to carry conductor.*—No stage carriage shall be used in a public place unless it carries, in addition to the driver, a conductor".
- "(d) *Issue of tickets—Production of Counterfoils.*—The conductor shall—
- (i) issue to every passenger travelling or intending to travel in a stage carriage including every child over three years of age, and to every consignor of goods other than personal luggage, a printed ticket of the requisite denomination on receipt of the fare charged for carrying in the vehicle the passenger and his personal luggage, or the goods other than personal luggage consigned, as the case may be;
- (ii) carry at all times when the stage carriage is in use the counterfoils of the tickets so issued; and
- (iii) produce the counterfoils on demand by any Police officer not below the rank of Sub-Inspector or by any authority empowered to inspect the vehicle:
- Provided that notwithstanding the provisions of clauses (i), (ii) and (iii), the transport authority may in its discretion, and subject to such conditions as it may deem fit, authorise the issue of tickets by a person who is not the conductor and who is not travelling in the vehicle".
- "(e) *Refusal to issue tickets.*—No conductor or other person authorised to accept fares, not being a person who travels in the vehicle, when a stage carriage is waiting or plying for hire shall—
- (i) without reasonable excuse, refuse to accept a fare from any person tendering it, provided that the conductor or such other person shall stop the issue of tickets when the maximum number of passengers or the maximum load of luggage or goods, as the case may be, which the vehicle is permitted to carry has been reached; or
- (ii) demand more than the proper fare".
31. After clause (xi) of rule 75, add the following as clause (xii) and renumber the existing clause (xii) as clause (xiii) :—
- "(xii) Distributes printed or similar matter of any description or distributes any article for the purpose of advertising, or".
32. Renumber rule "77 (a)" as "77 (a) (i)".
33. After rule 77 (a) (i), insert the following :—
- "(ii) *Public service vehicle—Touts—Prohibited.*—No tout shall be employed or be permitted by the owner, driver or conductor of a public service vehicle to canvass passengers and no person shall act as a tout to canvass passengers for any public service vehicle".
34. Add the following as a sub-paragraph of clause (i) of rule 77 :—
- "The fee for a duplicate licence shall be one rupee".
- 34-A. Substitute the following for clause (l) of rule 77 :—
- "(l) (i) *Endorsement by Court.*—Any Court by which a conductor is convicted of any offence in connection with his duties as a conductor shall cause particulars of the offence to be endorsed in the licence.
- (ii) *Cancellation and Suspension by Court.*—Any Court by which a conductor is convicted of any offence in connection with his duties as a conductor may cancel or suspend the conductor's licence, and shall cause particulars of any such order of cancellation or suspension to be endorsed in the licence. The Court shall communicate in Form CCE particulars of any endorsement made under this rule or the preceding rule to the authority by which the licence was last renewed or to the authority which granted the licence".

[18TH FEB. 1942]

35. After clause (c) of rule 77, add the following :—

“(p) *Appeal against orders regarding conductor's certificate.*—The provisions of the rules in Chapter II relating to appeals against orders in respect of driving licences shall apply to appeals against orders in respect of conductor's licences”.

36. In rule 78 (a), after the words “the driver of a public service vehicle shall”, insert the following words :—“while on duty” and after the words “inscribed with the name of the”, add the words “District of the”.

37. In rule 79 (a), after the words “the conductor of a stage carriage shall”, add the following :—“while on duty” and after the words “inscribed with the name of the”, add the words “District of the”.

38. After rule 82 (e), add the following :—

“(f) *Passenger not to sit on right of driver.*—No person may sit nor may any goods be placed on the right of the driver of a transport vehicle”.

39. In rule 83 (a) and (b), delete the words “District Superintendent of Police”.

40. After rule 83 (c), insert the following :—

“(d) *Schedule of timings.*—The Provincial Transport Authority may from time to time—
(i) by a general order prescribe a schedule of timings for each stage carriages running on specified routes ; or
(ii) by a special order prescribe a schedule of timings for each stage carriage”.

“(e) *Vehicles to run in accordance with schedule.*—When a schedule of timings has been prescribed under rule 83 (d), every stage carriage on such route shall run in accordance with it, except—

- (i) when prevented by accident or other unavoidable cause ; or
- (ii) when otherwise authorised in writing by the authority granting the permit.”

“(f) *Responsibility of permit-holder.*—The holder of the permit shall be responsible and punishable for a breach of rule 83 (e) in addition to any other person who may be responsible and punishable for such breach”.

41. Substitute the following for rule 84 :—

RECORDS TO BE MAINTAINED.

“84. (a) (i) *Trip Sheet.*—The driver or conductor of every public service vehicle shall maintain trip sheets serially numbered in a bound book in Form TSS or TSC in English or in Kannada.

(ii) *Custody of Trip Sheet.*—Trip sheets shall—

- (a) be carried by the conductor or, in case there is no conductor, by the driver whenever the vehicle is in use ;
- (b) be duly filled up from time to time as occasion arises by the conductor or, in case there is no conductor by the driver ; and
- (c) be open to inspection by any Police officer not below the rank of Sub-Inspector or by any Magistrate or by an Inspector of Motor Vehicles.

(iii) *Trip Register.*—Every holder of a permit shall in respect of every public service vehicle specified in the permit maintain in English or in Kannada a trip register in Form TR in a bound book of which the pages are serially numbered. The trip register shall be posted daily from the trip sheets maintained under rule 84 (a) (i), and be at all times open to inspection by any Police officer or by any Magistrate or by an Inspector of Motor Vehicles”.

“(b) *Goods vehicle record—maintenance of.*—(i) Every driver of goods vehicle shall keep, and every holder of a goods vehicle permit shall cause to be kept in English or in Kannada a record in Form GVR which shall give, in respect of each day on which the driver was employed in driving, the information prescribed in the form.

(ii) Each item of information required by Form GVR shall be entered in the record as soon as the particular to be recorded is ascertained.

(iii) The record in Form GVR shall be carried by the driver until he has completed his work for the period to which the record relates, and shall while in his custody be open to inspection, by any person authorised to inspect a goods vehicle. The driver shall deliver the record to the holder of the permit within seven days of the expiry of the period to which the record relates.

(iv) The permit-holder shall preserve the record in Form GVR for six months after the expiry of the period to which it relates and shall produce it for inspection at any time within that period on demand by the Provincial Transport Authority or by a Police officer not below the rank of Sub-Inspector”.

“(c) *Check in stations on route—register.*—The Transport Authority may by general order direct that every stage carriage shall stop at such stations on its route as the Transport Authority may prescribe, and thereupon the conductor of every stage carriage shall correctly enter in the register in Form TGR kept at each such station the particulars specified therein”.

“(d) *Destination board.*—The destination to which the stage carriage is proceeding or is about to proceed shall be clearly stated in English and in Kannada on boards conspicuously placed on the front and rear of the vehicle”.

“(e) *Painting and illumination of destination board.*—The board shall be painted in white letters not less than two inches high on a black ground. It shall be clearly visible and unobstructed by car equipment or otherwise and illuminated by a white light from half an hour after sunset to half an hour before sunrise”.

“(f) *Conductor's responsibility.*—The conductor shall be responsible for exhibiting the proper boards and for their illumination”.

42. After rule 87 (b), insert the following :—

“(c) *Withdrawal of bus from the service.*—If the holder of a stage carriage permit proposes to withdraw the service which the vehicle covered by the permit is providing before the expiry of the permit, he shall, unless prevented by unavoidable circumstances, give at least one month's notice of his intention to the transport authority which issued the permit, and shall surrender the permit on the date from which the service is withdrawn. Upon receipt of the notice, the Transport Authority shall post a copy of the notice on a suitable notice board situated on the premises of the authority”.

43. In rule 89 (d) for the words “public service”, substitute the word “Transport”.

44. After rule 89 (d), add the following rules :—

“(e) *Inspection by members of Provincial Transport Authority.*—Any member of Provincial Transport Authority may exercise the powers conferred in rule 89 (c) on a Police officer in uniform ; and the powers conferred in rule 89 (a), on a Police officer in uniform not below the rank of Sub-Inspector”.

“(f) *Conviction of permit-holders—Intimation by Courts.*—A Court convicting the holder of a permit, of an offence punishable under the Act or these rules shall communicate particulars of such conviction in Form PI to the authority which granted or, as the case may be, last renewed the permit and to the authority, if any, which has endorsed or extended the validity of the permit”.

“(g) *Use of stage carriage on more than one route.*—If a person holds stage carriage permits for two or more routes the Provincial Transport Authority may in its discretion and subject to such conditions as it thinks fit permit him to use a vehicle in respect of which he holds a valid stage carriage permit on any of such routes, provided that the vehicle shall be used only for the provision of such transport facilities as the owner is authorised to provide in accordance with the terms of the permit which he holds”.

CHAPTER V.

CONSTRUCTION, EQUIPMENT AND MAINTENANCE OF MOTOR VEHICLES.

45. After rule 102 (c), add the following rules :—

“(d) *Tyres of heavy transport vehicles, tractors and locomotives.*—If the tyres of the wheels of a tractor, locomotive or heavy transport vehicle, are neither pneumatic nor made of a soft or elastic material, they shall satisfy the following conditions :—

The tyres of each wheel shall be smooth and shall, where the tyres touch the surface of the road or other base whereon the vehicle moves or rests, be flat :

Provided that the edges of the tyres may be bevelled or rounded to the extent of not more than half an inch in the case of each edge ;

Provided also that if the tyres are constructed of separate plates, the plates may be separated by parallel spaces which shall be disposed throughout the outer surface of the tyres so that nowhere shall the aggregate extent of the space or spaces in the course of a straight line drawn horizontally across the circumference of the wheel exceed one-eighth part of the width of the tyre ;

Provided further that the driving wheels shall be cylindrical and smoothsoled or shod with diagonal cross-bars of not less than three inches in width nor more than three-quarters of an inch in thickness extending over the full breadth of the tyre and the space intervening between the cross bars shall not exceed three inches ”.

“(e) *Diameter of wheel*.—If any wheel of a tractor, locomotive or heavy transport vehicle is fitted with a tyre which is neither pneumatic nor made of a soft or elastic material, the diameter of the wheel shall be not less than two feet.

Explanation.—For the purpose of these rules “diameter” in relation to a wheel, means, the diameter measured between the two opposite points in the outer surface of the tyre which are farthest apart, “width” in relation to the tyre of a wheel, means, the distance measured horizontally and in a straight line across the circumference of the wheel and between the two points in the outer surface of the tyre which are farthest apart.”

46. After rule 108 (c), add the following :—

“(d) *Vehicle with trailer*.—If a trailer is or trailers are attached to a motor vehicle the total length of the train, including such motor vehicle shall not exceed forty feet ”.

47. After rule 112 (k), add the following :—

“(l) *Direction indicators—necessary in certain cases*.—If in any motor vehicle the seat for the driver is so situated that the driver cannot effectively give the manual signals prescribed in the eleventh schedule to the Act, the vehicle shall be fitted with a mechanical or electrical direction indicator in the manner specified in these rules ”.

48. After rule 113 (b), add the following proviso :—

“Provided that this rule shall not apply to any motor chassis upon which a body is not yet built ”.

49. For rule 119 (a) (iii), substitute the following :—

“(iii) When the seats are placed across the vehicle and are facing each other there shall be a clear space excluding padding and upholstery between the surface of any portion of the seat against which the back of the passenger is to rest and the surface of the corresponding portion of the seat facing it of a minimum width of 3 feet 11 inches and a clear space excluding padding and upholstery between the fronts of facing seats of a minimum width of one foot seven inches ”.

“(iv) Where the seats are placed lengthwise and facing each other, the surface of any portion of the seat against which the back of the passenger is to rest shall be at least fifty-four inches from the surface of the corresponding portion of the seat facing it ”.

“(v) Except where the seats in a public service vehicle are enclosed by the body of the vehicle, no seats shall be so constructed so as to project beyond the floor space of the vehicle ”.

50. *GANGWAYS*.—In rule 120 (a) (ii) for the words “twelve inches” substitute the words “fourteen inches ”.

51. After rule 124, add the following proviso :—

“Provided that this provision shall not apply to vehicles of the open type in which the seats are not enclosed by the body of the vehicle ”.

52. After rule 128 (b), add the following :—

“(c) *OVERALL LENGTH*.—The overall length of a public service vehicle shall not exceed twenty-six feet.”

53. After rule 129 (c), add the following :—

“(d) *PROTECTION OF LUGGAGE ON STAGE CARRIAGES*.—The luggage carried on the outside of a stage carriage shall be protected in wet weather by a suitable waterproof covering. The covering shall be securely fastened so as to prevent flapping ”.

54. In rule 131, delete the word “Registering ”.

55. For rule 133 (b), substitute the following :—

“(b) *Fuel tank*.—The fuel tank of every public service vehicle shall be so placed that no overflow therefrom shall fall upon any woodwork or accumulate on any part of the vehicle ”.

56. After rule 148 (j), insert the following :—

“(k) *Provision of chain in steam-driven vehicles*.—Every steam-driven motor vehicle with rubber tyres shall have attached to its frame a chain hanging loose or other contrivance whereby electric contact is made between the body of the vehicle and the earth ”.

“(l) *Exemption by Provincial Government*.—The Government may by notification in the *Coorg Gazette* exempt to such extent as may be specified in the notification any motor vehicle or class of motor vehicles from all or any of the provisions of the rules framed under Chapter V of the Act ”.

CHAPTER VI.

CONTROL OF TRAFFIC.

57. After rule 151 (j), insert the following rules :—

“(k) *Weighing of Vehicles*.—Police officers not below the rank of Sub-Inspectors and Inspector of Motor Vehicles are authorised to require the weighing of goods vehicles and trailers ”.

“(l) *Powers of Provincial Transport Authority to restrict speeds, weights, etc.*—The Provincial Transport Authority shall have power subject to the control of the Provincial Government—

(i) to impose speed limits ;

(ii) to impose limits on the laden weight or axle weight or dimensions of motor vehicles, and to prohibit or restrict the use of motor vehicles generally or of a particular class or of trailers in a specified area or in respect of any road, provided that no such limits or restrictions shall be imposed ; and

(iii) to designate any road as a main road ”.

“(m) *Authorities empowered to erect traffic signs*.—Subject to the provisions of rule 151 (n) the Provincial Transport Authority shall be the authority authorised to cause or permit traffic signs to be placed or erected in any public place for the purpose of regulating motor vehicle traffic ”.

“(n) *Authorities empowered to erect traffic signs*.—The Divisional Officer, Coorg, Public Works Department, who is also a member of Provincial Transport Authority and who is empowered to specify the maximum safe load for a bridge or culvert or to close a public road or street may for the purpose of exercising the said power erect the appropriate traffic signs ”.

“(o) *Weighing of vehicles believed to be used in contravention of restrictions*.—Any officer referred to in rule 151 (k), may if he has reason to believe that a goods vehicle is being used in contravention of any laden weight restriction imposed by competent authority require the driver to convey the vehicle to a weighing device, if any, for weighing ; and if on weighing, the vehicle is found to contravene such restriction, he may by order in writing, direct the driver to convey the vehicle to a suitable place to be specified in the notice, where facilities exist for the storage of goods and not to remove the vehicle from the place until the laden weight or axle weight has been reduced so that it complies with such restriction ”.

“(p) *Officers empowered to demand production of registration certificate*.—Magistrates, Inspector of Motor Vehicles and Police officers not below the rank of head constable are authorised to demand the production of the certificate of registration of any vehicle, and where the vehicle is a transport vehicle, the certificate of fitness ”.

“(q) *Officers empowered to demand information*.—Police officers not below the rank of Sub-Inspector are authorised to demand from the owner of a motor vehicle the driver of which is accused of any offence under the Act, all information regarding the name and address of and the licence held by the driver which is in his possession or could by reasonable diligence be ascertained by him ”.

“(r) *Officers empowered to inspect vehicles involved in accident*.—Magistrates, Inspector of Motor Vehicles and Police officers not below the rank of Sub-Inspector are authorised to inspect any motor vehicle involved in an accident and for that purpose to enter at any reasonable time any premises where the vehicle may be and to remove the vehicle for examination ”.

58. In the 3rd sentence of rule 152 for the word “sixth” insert “ninth”.

59. In rule 153 (a), substitute a comma for fullstop and add the following :—

“nor shall the driver or person in charge of such vehicle permit any person to do so ”.

60. In rule 157 (b), delete the alternative authority, "an Inspector of Motor Vehicles", and insert as follows after the words "Sub-Inspector", "or Inspector of Motor Vehicles".

61. After rule 163 (b), insert the following rule :—

"(c) *Driving mirror, obscuring of.*—No person driving or in charge of a motor vehicle shall—

(i) permit any person to stand or sit or,

(ii) place or permit anything to be placed in such a manner or position as to obscure the driver's vision either directly or rearward by the mirror referred to in rule 96."

"Provided that clause (ii) shall not apply to a vehicle fitted with a blind on the rear window when this blind is used during night time".

62. After rule 164 (b), insert the following :—

"(c) *Traffic signs to be observed.*—Every driver of a motor vehicle shall drive the vehicle in conformity with any indication given by traffic sign, the erection of which is permitted under sub-section (1) of section 75 of the Act."

63. After rule 169, add the following rules :—

"170. *Exemption by Provincial Government.*—The Government may by notification in the official gazette exempt to such extent as may be specified in the notification any motor vehicle or class of motor vehicles from all or any of the provisions of the rules framed under Chapter VI of the Act."

CHAPTER VII.

MISCELLANEOUS.

"171. *REFUND OF FEES.*—Subject to the provisions of rules 172 and 173, the Secretary, Provincial Transport Authority, may on application sanction the refund of—

(i) the full fee paid, where the certificate, licence, permit or badge applied for is refused or the application for the certificate, licence, permit or badge is cancelled or withdrawn by the applicant before the certificate, licence, permit or badge, as the case may be, is actually issued and the transaction completed;

(ii) the excess, where the amount paid is in excess of the proper fee; and

(iii) two rupees out of the licence fee of rupees five if the applicant held a licence under the Indian Motor Vehicle Act, 1914, and was prevented by reason of absence out of India on service connected with the present war from obtaining a licence in accordance with the provisions of section 7 (6) (b) or if the applicant held a licence under the Act and was prevented for the same reason from obtaining a renewal of the licence."

"172. *NO REFUND AFTER INSPECTION.*—No refund of fee for a certificate of fitness shall be made when the inspection of the vehicle, in respect of which the certificate was applied for, has been carried out."

"173. *TIME FOR APPLICATION FOR REFUND.*—No refund of fee shall be made if the application for such refund is not made within one year from the date of the credit of fee to the Government."

FORMS.

64. In Form L.P.S.A. for the word "Transport" substitute the word "Licensing".

65. In Form L.P.S. for the word "Transport" substitute the word "Licensing" wherever they occur.

66. In Form C.F.A. delete the words "Registering Authority".

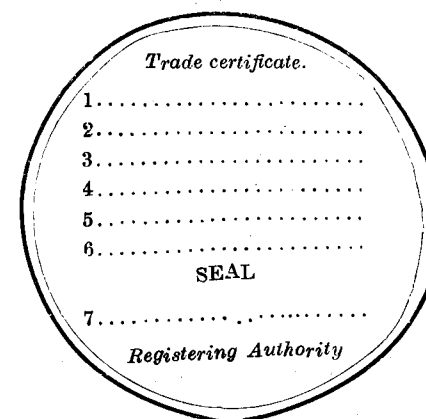
67. In Form C.F.R.A. delete the words "Registering Authority".

68. For Form TC substitute the following :—

FORM TC.

Form of trade certificate.

[Rule 41 (e) of the Coorg Motor Vehicles Rules, 1940.]



To be filled in as follows :—

1. Trade registration mark as provided in rule 41 (e).
2. Name and address of holder of the certificate.
3. Date of expiry.
4. Date of issue.
5. Classes of motor vehicles in respect of which the certificate has to be issued.
6. Station.
7. Signature of authority.

NOTE.—The use of a separate letter in the trade registration mark in respect of each certificate appears to make it unnecessary to state the total number of certificates on the Form above.

69. In column 5 of the heading in Form TCR, add the following :—

"Licensing number and address, if not attached to the company."

70. For item 7 of the Form P.St.S.A., substitute the following :—

"7. The type or types of vehicle to be used on the service and the approximate seating capacity are :—

Registration Mark.	Type.	Seating capacity.	Maximum laden weight."
--------------------	-------	-------------------	------------------------

71. In item 16 of Part A of Form P.St.P., delete the words "and the dates on which returns are to be made to the Transport Authority".

In Part B of Form P.St.P., items 3 to 5 shall be renumbered as items 4 to 6 and after item 2, the following item shall be inserted as item 3 :—

"3. Capacity.....passengers".

72. In Part A of Form P.St.S.—

(i) For items 5 and 10 substitute the following :—

“ 5. (a) Total number of vehicles to be used on the route.

(b) Particulars of the vehicles to be used including the maximum number of passengers to be carried.

1	2	3
Registration Mark.	Type.	Maximum number of passengers.

10. The maximum weight of luggage and goods to be carried in addition to passengers.”

(ii) Add the following as item 15 in the end :—

“ 15. Other conditions.”

In Part B of Form P.St.S.—

(i) Items 3 and 4 shall be renumbered as items 4 and 5 and after item 2, the following item shall be inserted as item 3 :—

“ 3. Vehicle Registration Mark. ”

(ii) In item 5 as so renumbered, delete the words—

“ In region of issuing authority.....In other region..... ”.

(iii) For letters “ G.A.” in item 6 and in the footnote, the letters “ L.G.W.” shall be substituted.

(iv) In the footnote on Form P.St.S. for the words “ P.S.S.” substitute the words “ P.St.S.” and delete “ Part B : Entry 3 ”.

(v) The following shall be added as a footnote to Form P.St.S. :—

“ L.G.W. stands for maximum weight of luggage and goods that may be carried in the vehicle.”

73. Delete item 11 in Part A of Form P.Co.P. and renumber item 12 as item 11.

74. After column 4 in the heading under item 5 of Part A of Form P.Pr.C., the following shall be inserted as column 4 (a) :—

“ 4. (a) Unladen weight.”

In item 8 of Part A of Form P.Pr.C. delete the words “ and the date on which returns are to be made to the Transport Authority ” and insert the following as item 10 :—

“ 10. Permit laden weight.”

75. In the heading under item 5 of Part A of Form P.Pu.C., the following shall be inserted as column 2 (a) :—

“ 2. (a) Unladen weight.”

In item 7 of Part A of Form P.Pu.C., the following words shall be deleted :—

“ and the dates on which returns have to be made to the Transport Authority.”

In Part A of Form P.Pu.C., the following shall be inserted as items 10 and 11 :—

“ 10. Permit laden weight.

11. Nature of goods to be carried.”

In Part B of Form P.Pu.C., the following shall be added as item 7 :—

“ 7. Nature of goods.”

76. Insert the following as item 8 in Form P.Tem. and renumber item 8 as item 9 :—

“ 8. Route(s)/Area :— ”

77. In Form L. Con.—

(i) Insert the following below (permanent address) :—

“ Age

Caste

Descriptive marks.”

(ii) Add in the end :—

“ Pages 2 and 3—

Renewals.

Number.	Date of issue.	Date of expiry.	Signature of licensing authority.
of 19			
of 19			
of 19			

Pages 4 to 9.

(Space for convictions and endorsements.)”

78. In Form L. Con. A.—

(i) Items 5 to 7 shall be renumbered as items 8 to 10 respectively and after item 4, the following items shall be inserted, namely :—

“ 5. Age

6. Caste.

7. Descriptive marks ”.

(ii) In item 10 as so renumbered the words and figures “ that I am not less than 18 years of age and ” shall be omitted.

79. In the end add the following forms :—

FORM CCE.

Form of intimation by Court of conviction of conductor.

[Rule 77 (1) (ii) of the Coorg Motor Vehicles Rules, 1940.]

Court of the.....Magistrate.....

To

Name.....

Holder of conductor's licence No.....has been convicted by me of an offence punishable under rule.....Coorg Motor Vehicles Rules, 1940, section....., Motor Vehicles Act, 1939, and sentenced to.....in C. C. No.....date.....

I have cancelled/suspended the conductor's licence from.....to.....

[18TH FEB. 1942]

FORM TSS.

[Rule 84 (a) (f) of the Coorg Motor Vehicles Rules, 1940.]

ORIGINAL.

Trip sheet for stage carriages.

Stage carriage No.

Licensed to carry passengers for
19 .

From	Up	To
Hours of duty.	Name of conductor.	Conductor's certificate number.
	Conductor's badge number.	Name of driver.
	Driver's licence number.	Driver's badge number.

From	Down.	To
Hours of duty.	Name of conductor.	Conductor's certificate number.
	Conductor's badge number.	Name of driver.
	Driver's licence number.	Driver's badge number.

Serial number of trip.	Up or down.	Starting time.	Time of arrival.	Number of passengers carried.	Remarks.

(Signature of conductors.) { 1.
2.
3.
4.

FORM TSS.

[Rule 84 (a) (1) of the Coorg Motor Vehicles Rules, 1940.]

COUNTERFOIL.

(To be preserved for one year.)

Trip sheet for stage carriages.

Stage carriage No.

Licensed to carry passengers for
19 .

From	Up	To
Hours of duty.	Name of conductor.	Conductor's certificate number.
	Conductor's badge number.	Name of driver.
	Driver's licence number.	Driver's badge number.

From	Down.	To
Hours of duty.	Name of conductor.	Conductor's certificate number.
	Conductor's badge number.	Name of driver.
	Driver's licence number.	Driver's badge number.

Serial number of trip.	Up or down.	Starting time.	Time of arrival.	Number of passengers carried.	Remarks.

(Signature of conductors.) { 1.
2.
3.
4.

FORM TSC.

[Rule 84 (a) (1) of the Coorg Motor Vehicles Rules, 1940.]

ORIGINAL.

Trip sheet for contract carriages.

Motor Vehicle No.

Licensed to carry

passengers
load of cwt.

Name of driver.	Licence number.	Badge number.	Hours of duty.	Date and serial number of trip or engagement.	Starting place and time.	Destination and time of arrival.	Mileage done during trip.	Duration of halt, if any.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Signature of drivers { 1.
2.
3.
4.

FORM TSC.

[Rule 84 (a) (1) of the Coorg Motor Vehicles Rules, 1940.]

COUNTERFOIL.

(To be preserved for one year.)

Trip sheet for contract carriages.

Motor Vehicle No.

Licensed to carry

passengers
load of cwt.

Name of driver.	Licence number.	Badge number.	Hours of duty.	Date and serial number of trip or engagement.	Starting place and time.	Destination and time of arrival.	Mileage done during trip.	Duration of halt, if any.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Signature of drivers { 1.
2.
3.
4.

FORM GVR.

[Rules 84 (b) (i) to (b) (iv) of the Coorg Motor Vehicles Rules, 1940.]

GOODS VEHICLE RECORD.

Date

Name of permit holder—

Section 1.—Period of work.

Name and address of driver.	No. of the licence.	Name of the authority by which it was issued.	Date and time last ceased work.	Time commenced work.	Intervals of rest.		Date and time finished work.	Total time worked.
					From	To		

Section 2.—Particulars of journey and goods.

Registration mark of vehicle.	Journey.				Goods carried.		Destination.
	Left.		Arrived.		Description.	Maximum weight at any one time.	
	Place.	Time.	Place.	Time.			

FORM TGR.

[Rule 84 (c) of the Coorg Motor Vehicles Rules, 1940.]

Timingsregister of stage carriages of.....Station.

Name of service.	Distinguishing number of stage carriage.	Starting place.	Destination.	Arrival at the Station.	Departure from the Station.	Number of passengers allowed as per permit.	Number of passengers in the bus.	Number of drivers badge.	Name of driver.	Number of conductor's badge.	Signature of conductor.
1	2	3	4	5	6	7	8	9	10	11	12

FORM TR.

[Rule 84 (a) (iii) of the Coorg Motor Vehicles Rules, 1940.]

Trip register for public service vehicles.

Route— From To
 Permit No. Dated

Date.	Conductor's name.	Conductor's licence number.	Conductor's badge number.	Driver's name.	Driver's licence number.	Driver's badge number.	Number of trips.	Remarks.

FORM PL.

[Rule 89 (f) of the Coorg Motor Vehicles Rules, 1940.]

Form of intimation by Court of conviction of permit holder.

Court of the.....

Magistrate.....

To

Name.....

Holder of.....permit No.....has been convicted by me of an offence punishable under rule.....Coorg Motor Vehicles Rules, 1940, section.....Motor Vehicles Act, 1939.....and sentenced to.....in C. C. No.....date.....

J. W. PRITCHARD,
 Chief Commissioner.

THE CHIEF COMMISSIONER, DELHI.

NOTIFICATION.

Delhi, the 16th December, 1941.

No. F.-12 (45)/41-General.—In exercise of the powers conferred by clause (za) in sub-section (2) of section 68 read with clause (f) in sub-section (3) of section 42 of the Motor Vehicles Act, 1939, the Chief Commissioner is pleased to make the following rule, the same having been previously published with his Notification No. F. 12 (45)/41-General, dated the 28th October 1941 :—

Rule.

Subject to the conditions set forth below, transport vehicles hired by the Indian Posts and Telegraph Department for use as postal vans shall be included among those vehicles to which sub-section (1) of section 42 of the Motor Vehicles Act, 1939, shall not apply.

The exemption ordered by this rule shall not be effective in respect of any transport vehicle unless—

- it is hired by the Indian Posts and Telegraphs Department on a contract for a period of not less than one year ;
- it is used exclusively for the carriage of mails and Post Office personnel ;
- it is painted in such a way, and bears such departmental markings, as would render it unsuitable for use except as a postal van ; and
- the Department has furnished particulars of the vehicle to the Delhi Provincial Transport Authority.

A. V. ASKWITH,
 Chief Commissioner, Delhi.

THE HONOURABLE MR. SHAVAX A. LAL (Nominated Official) : Sir, I lay on the table a copy of the notification of the Chief Commissioner, Delhi, No. F.-12 (3)-III/41-General, dated the 12th January, 1942, relating to rules framed under the Motor Vehicles Act, 1939.

[18TH FEB. 1942]

THE CHIEF COMMISSIONER, DELHI.

NOTIFICATION.

Delhi, the 12th January, 1942.

No. F.-12 (3)-III/41-General.—In exercise of the powers conferred by sections 21 and 41 of the Motor Vehicles Act, 1939, read with the notification of the Government of India in the Department of Communications, No. R.-60, dated the 28th June, 1939, the Chief Commissioner is pleased to make the following rules, the same having been previously published with his notification No. F.-12 (13)-III/41-General, dated the 22nd November, 1941 :—

Rules.

1. Notwithstanding anything contained in the Delhi Motor Vehicles Rules, 1940, no fee shall be charged for the issue or alteration of certificates of registration relating to motor vehicles which are the property of the Commissioner for the United States of America or his Secretaries or for the examination or inspection of such motor vehicles.
2. If the Commissioner for the United States of America or his Secretaries shall have paid or shall hereafter pay a fee for the issue or renewal of a licence to drive a motor vehicle or for undergoing a test of competency to drive the fee shall on application be refunded to them.

A. V. ASKWITH,
Chief Commissioner, Delhi.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE.

THE HONOURABLE SIR LEONARD WILSON (Chief Commissioner for Railways): Sir, I lay on the table the information promised in reply to question No. 185 asked by the Honourable Pandit Hirday Nath Kunzru on the 19th November, 1941.

POLICY FOLLOWED BY THE E. I. R. IN FILLING APPOINTMENTS IN SCHOOLS.

- (a) The answer to the first part is in the negative; only one such appointment has been made since 1937 and it was given to a teacher in the service of the Railway; the second part does not arise.
- (b) As regards the first part, it is understood that this is usually so far as headmasters and assistant headmasters are concerned; as regards the second part, the E. I. R. also follows the same principle but promotions have to be made on a provisional basis to meet the requirements of Local Government educational authorities.
- (c) It is understood that three headmasters of Indian schools are due to retire during 1942. The appointments are within the competence of the General Manager, who, it is understood, does not propose to recruit outsiders if suitable men are available in the service within the respective Provinces.

THE HONOURABLE MR. A. DEC. WILLIAMS (Defence Co-ordination Secretary): Sir, I lay on the table the information promised in reply to question No. 168 asked by the Honourable Pandit Hirday Nath Kunzru on the 18th November, 1941.

NUMBER OF MECHANICAL ENGINEERS IN THE SUPPLY DEPARTMENT.

- (a) The total number of mechanical engineers in the Department of Supply is 815 of which 402 are Indians.

(b) Necessary information is given below :—

Month.	British.	Indian.	Total.
1941.			
January	13	2	15
February	11	5	16
March	9	2	11
April	2	3	5
May	3	3	6
June	12	11	23
July	3	6	9
August	6	8	14
September	12	5	17
October	5	2	7
Total	76	47	123

NOTE.—The figures given in (b) do not include seven Anglo-Indians recruited in this period.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I lay on the table a copy of the notification of the Government of India in the Commerce Department No. 597-I(3)/41, dated the 29th November, 1941, making certain further amendments in the Insurance Rules, 1939.

INSURANCE

No. 597-I. (3) 41, dated the 29th November, 1941.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendments shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely :—

In sub-rule (2) of rule 24 of the said Rules :—

- (a) in clause (i), the words "annual gross" shall be omitted.
- (b) to the said sub-rule, the following proviso shall be added, namely :—

"Provided further that in relation to insurers who are required to furnish returns in accordance with sub-section (2) of section 16 of the Act, the reference to the calendar year in this sub-rule shall be construed as a reference to either the period covered by the revenue account furnished under clause (b) of the said sub-section or the calendar year."

N. R. PILLAI,
Addl. Secy. to the Govt of India.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE.

THE HONOURABLE MR. G. S. BOZMAN (Secretary, Indians Overseas): Sir, I lay on the table the information promised in reply to question No. 174 asked by the Honourable Raja Yuveraj Dutta Singh on the 18th November, 1941.

ILL-TREATMENT OF CERTAIN PERSONS ON THE OCCASION OF THE VISIT OF THE AIR COMMANDO TO PIETERMARITZBURG.

Enquiries made from the High Commissioner for India in the Union of South Africa reveal that an incident of the nature referred to by the Honourable Member did occur at Pietermaritzburg. A Military Court of Enquiry which was appointed to investigate the matter reported that the inadequacy of the arrangements made for the reception of the general public was responsible for the unfortunate incident. Some obstruction was caused to the display necessitating intervention by the military police. Allegations that the police used excessive force were not proved. The court found that insulting language had been used to non-Europeans but was unable to attach blame to any one particular person. Suitable representations were made by the High Commissioner to the Union Government.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. G. S. BOZMAN (Secretary, Indians Overseas): Sir, I lay on the table a copy of the Imperial Council of Agricultural Research notification No. F. 26(8)/41-G., dated the 31st December, 1941, amending their Standing Finance Committee Regulations under section 7(2) of the Agricultural Produce Cess Act, 1940.

No. F. 26 (8)/41-G., dated the 31st December, 1941.—The following amendment made by the Imperial Council of Agricultural Research, with the previous approval of the Central Government, under sub-section (2) of section 7 of the Agricultural Produce Cess Act, 1940 (XXVII of 1940), in the Standing Finance Committee Regulations, published with their Notification No. F. 46 (10)/40-G., dated the 10th September, 1940, is published for general information.

For clause (ii) of regulation 9 of the said Regulations, the following clause shall be substituted, namely:—

“(ii) to examine the estimates of all research schemes of the Council.”

B. SAHAY,
Secretary.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

THE HONOURABLE THE PRESIDENT: Honourable Members, I have to deliver to you four messages which I have received from His Excellency the Governor General. They are as follows:—

GENERAL BUDGET.

“For the purposes of sub-section (1) of section 67A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, and in pursuance of rule 43 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Victor Alexander John, Marquess of Linlithgow, hereby appoint

(32)

Saturday, the 28th February, 1942, at 5-30 P.M., for the presentation to the Council of State, and Thursday, the 5th March, 1942, for the General Discussion in the Council of State, of the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of subjects other than Railways.

LINLITHGOW,
Viceroy and Governor General.”

NEW DELHI;

The 24th January, 1942

RAILWAY BUDGET.

“For the purposes of sub-section (1) of section 67A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, and in pursuance of rule 43 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Victor Alexander John, Marquess of Linlithgow, hereby appoint Wednesday, the 18th February, 1942, for the presentation to the Council of State, and Tuesday, the 24th February, 1942, for the General Discussion in the Council of State, of the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of Railways.

LINLITHGOW,
Viceroy and Governor General.”

NEW DELHI;

The 24th January, 1942.

“I in pursuance of the provisions of sub-section (3) of section 67A as set out in the Ninth Schedule to the Government of India Act, 1935, I hereby direct that the heads of expenditure specified in that sub-section, other than those specified in clause (v) thereof, shall be open to discussion by the Council of State when the Budget for the year 1942-43 is under consideration.

LINLITHGOW,
Viceroy and Governor General.”

NEW DELHI,

The 27th January, 1942.

PANEL OF CHAIRMEN.

“In pursuance of the provisions of sub-section (2) of section 63A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, I, Victor Alexander John, Marquess of Linlithgow, hereby nominate the following Members of the Council of State to be on the Panel of Chairmen of the said Council of State:—

In the first place, the Honourable Sir David Devadoss; in the second place, the Honourable Mr. P. N. Saprú; in the third place, the Honourable Sir Muhammad Yakub; and lastly the Honourable Maharajadhiraja Sir Kameshwar Singh of Darbhanga.

LINLITHGOW,
Viceroy and Governor General.”

NEW DELHI,

The 14th February, 1942.

COMMITTEE ON PETITIONS.

THE HONOURABLE THE PRESIDENT: Under Standing Order 76 of the Council of State Standing Orders, I am required at the commencement of each session to constitute a Committee on Petitions consisting of the Chairman and four members. The following members have at my request kindly consented to preside over and serve on the Committee. I accordingly have much pleasure in nominating as Chairman of the Committee the Honourable Raja Charanjit Singh and as members, the Honourable Sir Ramunni Menon, the Honourable Mr. P. N. Saprú, the Honourable Pandit Hriday Nath Kunzru, and the Honourable Mr. M. N. Dalal.

CONGRATULATIONS TO RECIPIENTS OF HONOURS.

THE HONOURABLE THE PRESIDENT: Honourable Members, it is customary for the President to offer on behalf of the Council our congratulations to the new recipients of honours who have been fortunate to receive recognition at the hands of His Majesty the King for their valuable services to the country.

I have much pleasure in stating that the Honourable Sir Shantidas Askuran has received a Knighthood. The Honourable Sir Shantidas Askuran has been a Member twice elected to this Council. He was elected by a very distinguished body, an intelligent body of electors in Bombay, and he has been in this Council for nearly five years. He is well known in Bombay for his commercial knowledge, his business activities and is very popular and influential among the commercial bodies in the country. They all recognise his great ability and his talents in the matter of finance. I offer him on behalf of the Council our congratulations on the rare distinction which he has received at the hands of His Majesty the King. (Applause.)

The next gentleman is the Honourable Mr. Conran-Smith (Applause) who has received his C. S. I. Mr. Conran-Smith has been a Member of this Council off and on for many years and he has rendered very valuable services to this country and especially to the Government of India. He is one of the few ablest and distinguished Civilians in this country and a great future is still before him. (Applause.) I have no doubt that there are many higher honours still awaiting him in the service of the Government of India.

THE HONOURABLE SIR SHANTIDAS ASKURAN (Bombay: Non-Muhammadian): I am very thankful to you, Sir, and the whole House on whose behalf you have spoken these kind words, and I must say that you are very kind in your expression and that I will do all I can to serve this House.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): May I express my thanks to you, Sir, for the very kind things you have said about me and to the House for the kind way in which it has received them.

GOVERNOR GENERAL'S ASSENT TO BILLS.

SECRETARY OF THE COUNCIL: Sir, information has been received that His Excellency the Governor General has been pleased to grant his assent to the following Bills which were passed by the two Chambers of the Indian Legislature during the autumn session, 1941, namely:—

1. The Code of Criminal Procedure (Amendment) Act, 1941.
2. The Code of Criminal Procedure (Second Amendment) Act, 1941.
3. The Factories (Amendment) Act, 1941.
4. The Aligarh Muslim University (Amendment) Act, 1941.
5. The Madras Port Trust (Amendment) Act, 1941.
6. The Mines Maternity Benefit Act, 1941.
7. The Professions Tax Limitation Act, 1941.
8. The Federal Court Act, 1941.
9. The Indian Merchant Shipping (Amendment) Act, 1941.
10. The Indian Income-tax (Amendment) Act, 1941.

(34)

11. The Excess Profits Tax (Second Amendment) Act, 1941.
12. The Railways (Local Authorities Taxation) Act, 1941.
13. The Indian Companies (Amendment) Act, 1941.
14. The Trade Marks (Amendment) Act, 1941.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which were passed by the Legislative Assembly at its meetings held on the 16th and 17th February, 1942, namely:—

- A Bill further to amend the Workmen's Compensation Act, 1923.
- A Bill further to amend the Indian Merchant Shipping Act, 1923.
- A Bill further to amend the Indus Vessels Act, 1863.
- A Bill further to amend the Indian Medical Council Act, 1933.
- A Bill further to amend the Indian Boilers Act, 1923.
- A Bill to provide for the incorporation, regulation and winding up of Co-operative Societies with objects not confined to one province.
- A Bill to continue the provision made under Ordinance No. XIII of 1940 for assistance to the coffee industry by regulating the export of coffee from and the sale of coffee in British India and by other means.

DEATH OF SIR AKBAR HYDARI.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Sir, I thank you for allowing me this opportunity of placing on record the tribute which I am sure we all wish to pay to the memory of our late Leader. Sir Akbar Hydari was a personal friend of mine, as he was of many of you here, and I had known him for several years in India and I had met him on many occasions in London. It was my special privilege to be his colleague in the Executive Council even though for a short time, before fate took him away from us. I have never known any public servant more young in body or in spirit and whenever I met him at any meeting, no matter what the difficulties to be solved, he always had a smile on his face. His long experience was of special value to us, his colleagues, and to the country as a whole. His services to the Indian States are unrivalled and his services to British India are also of great importance. He served on many public bodies and he took keen interest in the political development of the country. There will be very few in this country who are more patriotic than was our late Leader. He wanted his country to go ahead and his ideas were very modern and up to date. He was keenly interested in the industrial development of his country and he was one of those who strive all their life to bring about greater and greater harmony between the various sections of the people and it is for this, if not for any other reasons, that we mourn his loss all the more. I do not wish to take your time much longer for I know there are others here also who would like to join me in paying a tribute to the late Sir Akbar but, before I close, Sir, I request you to forward to his relatives condolences on behalf of this Honourable House, particularly to his eldest son, Mr. Saleh Hydari, who is so well known

[Sir Firoz Khan Noon.]

to us and who is following in the footsteps of his great father, and I am sure that the opportunities that lie before him for the service of his country will be no less than those that fortune brought before his late father.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, it must be a matter of regret to every one in this House that we have lost the services of so distinguished a Leader as Sir Akbar Hydari. His knowledge of finance and his administrative ability were well known, but he was very much more than a financier or an administrator. He was a man of great culture and vision. He had wide sympathies and he had the mental make-up required of a statesman. His services to the Hyderabad State in particular and to the Indian States in general were undoubtedly valuable. He was one of the most outstanding personalities in the country, and it was hoped that as a Member of the Viceroy's Executive Council he would be able to bring his great abilities to bear on the serious problems that confront the country at the present time and on the task of advancing its constitutional position. It is a matter of great regret to us all that we have at this juncture lost a sagacious and valuable adviser, whom we all expected to play a notable part in the affairs of this country during the course of the next two or three years. I associate myself wholeheartedly, Sir, with the request made by the Leader of the House that the sympathy of this House should be conveyed to his son, Mr. Saleh Hydari.

*THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, I join in the tribute which is being paid to the memory of the late Sir Akbar Hydari. Sir, the late Sir Akbar Hydari was a man of versatile genius. He was a scholar of great eminence, a statesman of distinguished parts and a great authority on the abstruse questions of high finance. Sir, as has been observed by my Honourable friend Pandit Kunzru, he was a man of great culture and as such he was a great patron of learning. Sir, in founding the Osmania University in Hyderabad, Sir Akbar Hydari translated into action what has been the dream of many a patriot in this country, namely, the imparting of higher education in the language of the country. Sir, as has been observed by the distinguished Leader of the House just now, Sir Akbar Hydari's loss at this moment is very regrettable, since his long and mature experience would have been of great help at the crisis through which the country is now passing. Sir Akbar Hydari, even though he had a very strong sense of realism, was also possessed of great vision. He was a great idealist and a spiritualist also. One of the main ambitions of Sir Akbar Hydari was to bring about concord and harmony between the different sections in the population and it is very regrettable that his death has removed from amidst us one of those forces which were trying to bring about this harmony between the warring sections in this country. Sir, I associate myself with the tribute which has been paid to his memory and I request that the condolence of this House may be conveyed to the members of his bereaved family.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadan) : Sir, in the death of Sir Akbar Hydari this Council has lost a veteran and a great statesman and the country an administrator of vast and varied experience. Barely six months have elapsed since this veteran statesman entered the Governor General's Executive Council; yet this brief tenure was marked with the same industry, understanding and sympathy for the difficulties of the

*Not corrected by the Honourable Member.

Indian people and their political advancement. As the Leader of this Honourable House and an elder statesman, his shrewd and sagacious counsel was greatly valued and will be deeply missed.

*THE HONOURABLE SIR MUHAMMAD YAKUB (Nominated Non-Official) : Mr. President, I wish also to associate myself in paying tribute to the memory of the late Right Honourable Sir Akbar Hydari. In Sir Akbar Hydari India has lost a great statesman and a great administrator, a great lover of arts and sciences and, above all, a great Indian and a gentleman. In Hyderabad, where Sir Akbar Hydari spent 36 years of his valuable life, he has left such distinct and deep marks of his ability and administrative capacity as will keep his memory fresh in the minds of the people for a long time to come. On this occasion it is not right to dilate upon the many qualities of the late Sir Akbar Hydari. Our hearts go in sympathy with his sons and daughters and other members of the bereaved family and I join in requesting you to convey our deep sense of regret and our condolence to Mr. Saleh Hydari and other members of the bereaved family.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce) : Sir, I support the Motion moved by the Honourable the Leader of the House. Sir Akbar Hydari was one of those men who have an extremely vivid personality and I very well remember meeting him rather more than 20 years ago soon after I first landed in this country. He was one of the first great men of India whom I got to know, for whose ability I had the greatest respect.

THE HONOURABLE THE PRESIDENT : Honourable Members, it was in the fitness of things that this House should pay such high tribute to our deceased colleague, who was such an illustrious member of this House and a distinguished Government servant, citizen and also a most learned and capable Prime Minister of Hyderabad. It is true, that in his death India has sustained a severe loss. He was a man of right judgment and mature experience, and when he was appointed to this Council it was felt that his mature experience would be brought to bear upon the very many important and intricate problems which were then being discussed in this House and that we will all be guided by his great knowledge, unrivalled experience and his tact and persuasive influence. But, unfortunately, the hand of death has taken him away from us and we in this Council particularly will feel his loss very heavy. He was a great man. His career all throughout has been one of great usefulness. After a brilliant University career he joined the Government of India in the Finance Department and I may say—and you will agree with me—that he was called the wizard of the Indian finances. His capabilities were such that from a small beginning he rose to a very high position, and when he retired from the Government of India, His Exalted Highness the Nizam of Hyderabad summoned him to Hyderabad to occupy more important offices there. We know with what great success he has filled those offices and shown his capabilities with what great success he has filled those offices and shown his capabilities with what great success he has filled those offices and shown his capabilities there. He enriched every office held. He rose there to the position of a Prime Minister. He had charge of the most important portfolios, like Railways and other Departments, where he formulated a new policy and he departmentalised the finances of the Province to such an extent and the success which he achieved there was of such great importance that His Exalted Highness had to appoint him Prime Minister of Hyderabad. To India also he has rendered very valuable services, as you are all aware. He led the Hyderabad delegation

*Not corrected by the Honourable Member.

[Mr. President.]

to the three Round Table Conferences in 1930, 1931 and 1932, and rendered most valuable service. Those who were present with him at the Round Table Conference—I may say I had the honour of being present at that time as a member at the second Round Table Conference—saw in him the great qualities of eminence which distinguished him in after life. He was a great debater, a considered debater, a man who took a broad and proper view of things and his sense of proportion was that of a statesman and not that of a politician. He had distinguished himself in many ways, on the Committee of Chairmen, namely, the Committee of the Hyderabad State Ministers where he also rendered very useful and valuable service and of which he became ultimately the popular President. I should have liked to have said something more about him today but we are now pressed for time, and I must cut short my remarks. But I must point out that I would have adjourned this Council as a mark of respect to his memory had not His Excellency the Governor General fixed today as the day for the presentation of the Railway Budget in both the Houses, and I am thus unable to adjourn this House. I know that all Members have great sympathy for him and his family and, as desired by many Honourable Members here and by the Leader of the House, I shall convey our sorrow and our deep sympathy to his eldest son, who was himself a distinguished Member of this House for many years.

PRESENTATION OF THE RAILWAY BUDGET, 1942-43.

THE HONOURABLE SIR LEONARD WILSON (Chief Commissioner for Railways): Sir, I have the honour to present the statement of estimated revenue and expenditure in respect of Indian railways for the coming year. Before disclosing these estimates, I have to deal briefly with the income and expenditure of the past and the present year.

Accounts for 1940-41.

2. Last year at this time I estimated that the year would close with a surplus of 14½ crores. Actually, our receipts were more than 2½ crores above our estimates, and our expenditure over a crore less, and we closed with a surplus of a little less than 18½ crores. The decrease in expenditure was due to the inability of railways to spend on account of the difficulties in getting materials and in our being unable to pay in full the dearness allowance sanctioned in March with back effect from 1st October, 1940, for which provision was made in the revised estimates. In the allocation of the surplus we paid 12·16 crores to general revenues and transferred 6·30 crores to railway reserve.

Revised Estimate for 1941-42.

3. When presenting the budget last year, I briefly touched on the difficulties of making an estimate of earnings in the existing conditions. Relating our estimates closely to the earnings of the past year, and making the assumption, which seemed reasonable at the time, that the level reached in January 1941 would not be maintained, we placed our estimate of traffic receipts at 108½ crores. Events have served only to emphasise the difficulties of estimating in war time, and we now expect, not without a measure of speculation, that by the end of the year our gross traffic receipts will reach the record figure of 127 crores. We also expect an increase of 16 lakhs in net miscellaneous receipts which we now put at 94 lakhs.

4. On the expenditure side there is an increase of 4·53 crores over the budget, our revised estimate of working expenses, including depreciation, being 73·13 crores against the original budget of 68·60 crores. As explained at length in the explanatory memorandum, an increase of 3·44 crores is due to the transfer of the expenditure on ballast renewals from the depreciation fund to working expenses and to the write-off from capital of the cost of dismantled lines and abandoned assets. Excluding these, the increase is only 1·09 crores. Heavier expenditure on coal and on staff for dealing with the phenomenally high traffic account for an increase of a crore, air raid precautions for over 42 lakhs and repairs to flood damages for 16 lakhs. Against these increases must be set off savings due to the inability of railways, in existing conditions, to work up to their original programme of repairs. We now expect a surplus of 26·20 crores which is 14·37 crores more than expected at the time the Budget was prepared.

5. The contribution from revenue to the depreciation fund during the current year will be 12·68 crores. Expenditure from the fund, with which I shall deal later, will be 5·12 crores.

Revenue in 1942-43.

6. Our revenue estimate for 1941-42 is speculative, but that for 1942-43 is much more so. We can only relate it to the current year's receipts and make allowance for certain known factors. They are, on the one hand, the dismantlement of the lines and the withdrawal of rolling stock for service overseas and, on the other, the measures taken to improve the turn-round of wagons, the proposed purchase of the Bengal and North Western, Rohilkund and Kumaon, Tapti Valley and Mirpurkhas Khadro Railways and a few minor increases in fares and freights. We place our estimate of gross traffic receipts at 125·50 crores and, in addition, we expect a net revenue of 1·56 crores from miscellaneous transactions.

7. As regards the proposed increases in freights and fares, we have for some time had under consideration the fares charged on the East Indian and North Western Railways, and we have now decided to raise them to a small extent, which will bring them more into line with those on the other major systems, though generally they will still remain at a slightly lower level.

Parcels traffic has much increased and the reduced passenger train services are overloaded. It is therefore proposed to enhance the existing increased charge of two annas in the rupee on parcels traffic to four annas in the rupee in order to check a tendency for the higher-valued consignments at present moving by goods trains, which are liable under present day conditions to considerable delay, to be transferred to the parcel services. Excess luggage charges which are the same as parcel charges will be similarly enhanced. The increases in passenger fares, luggage and parcel charges are expected to yield about a crore.

8. Whilst present conditions continue, it is essential that the best possible use shall be made of wagons. To ensure this, railways are proposing to make certain changes in the weight conditions applied to rates, and also, to impose on certain traffic which can move in wagon loads, foodgrains being included, a slight increase in the charges for small consignments, which for foodgrains would amount to 2 annas in the rupee, the existing charges being retained for consignments in wagon loads. This is not being done with a view to increase revenue, the objective being to encourage the loading of wagons to full capacity and to discourage small consignments of those commodities which can be sent in wagon loads.

[Sir Leonard Wilson.]

Expenditure from Revenue in 1942-43.

9. Our estimate for ordinary working expenses, excluding depreciation, has been placed at 58·13 crores against 60·45 crores estimated in the current year. Excluding, for the purpose of comparison, the adjustment of 3·02 crores in the current year on account of abandoned assets and dismantled lines, and 41 lakhs on account of other non-recurring expenditure, there is an increase of 1·11 crores over the current year, due to the anticipated increase in the cost of repairs, maintenance and operation. After allowing for a reduction of 26 lakhs in interest charges, we estimate that next year's working should result in a surplus of 27·95 crores, that is, 1·75 crores more than in the current year. The appropriation to the depreciation fund will be 12·63 crores, and the withdrawals are estimated to be 7 crores, giving a net accretion of 5·63 crores to the fund.

Disposal of Surplus.

10. As I have already stated, we expect a surplus this year of 26·20 crores after meeting interest charges. Adopting the same procedure for the allocation of the surplus as was adopted last year, the Railways will retain 7·08 crores, and General Revenues will get 19·12 crores. Government intend to place before the Legislature a resolution to extend for another year the moratorium which is due to expire at the end of next month and, if this be accepted, we propose to allocate the surplus of 1942-43 on the same basis. The estimated surplus in 1942-43 after meeting interest charges is 27·95 crores which would thus be divisible, 7·82 crores to Railways and 20·13 crores to General Revenues.

11. Here I should like briefly to explain the change Government have decided upon in regard to the treatment in accounts of the respective shares of surplus after division between general revenues and railways. According to the arrangements which I explained last year, payments to general revenues in excess of the 1 per cent. contribution were treated partly as their share of the surplus and partly as payment of the arrears of contribution. For reasons given in the explanatory memorandum, Government have now decided that all payments to general revenues in excess of the 1 per cent. contribution should be taken towards discharge of the arrears of contribution. It follows that the portion of the surplus left with the railways as their share should be taken in reduction of the loan from the depreciation fund. While it is not proposed to readjust the sum of 6·30 crores credited to the railway reserve last year, the railway share of the surplus this year will be credited to the depreciation fund, and the same procedure will be adopted in subsequent years till the loans from the depreciation fund have been fully repaid. I need not inflict on the House the consequential calculations which are fully detailed in the explanatory memorandum. All I need say is that our liability to general revenues at the end of the current year will be 13·68 crores and, if our expectations are realised, next year we shall be able to repay this amount and also contribute to General Revenues a sum of Rs. 1·31 crores in excess of the payments required under the Convention. The outstanding loans from the depreciation fund will be 23·21 crores at the end of this year and 15·39 crores at the end of the next. Our balance in the depreciation fund at the end of 1942-43 will be 64·69 crores, including 40 lakhs invested in branch lines.

Railway Reserve.

12. In 1940-41, 6·30 crores were paid into the railway reserve fund, and 90 lakhs were withdrawn on account of that portion of the cost of dismantled lines which could not be debited to the depreciation fund. It has now been

decided that this amount is correctly a charge against revenue and therefore 90 lakhs have been restored to the railway reserve, the balance in which will then stand at 6·79 crores. Apart from this adjustment, no addition to the railway reserve will be made during the current or next year.

Capital and Depreciation.

13. I shall now turn to our expenditure under capital and from the depreciation fund. During the current year, our revised estimate allows for an expenditure of 3·88 crores under capital and 5·12 crores under depreciation fund. In the capital expenditure is included a sum of 5 crores on account of the purchase price of the Assam Bengal and the Bombay, Baroda and Central India Railways and the balance of the purchase price of the Bengal Doars Railway, and a credit adjustment of 2·83 crores on account of the write-off of the value of abandoned assets and dismantled lines. Our programme for 1942-43 includes 20 crores for the purchase of the Bengal and North Western, Rohilkund and Kumaon, Tapti Valley and Mirpurkhas Khadro Railways. For open line works, the programme provides one crore for increase in stores balances, 4½ crores for track renewals, ½ crore for bridges, two crores for other engineering and structural works and 6½ crores for rolling stock. We expect a credit of 1½ crores for released materials. Though the total programme for open line works, including the purchase of railways, works up to over 33 crores, we have, after making allowance for the probability that railways will be unable to spend the full amount, provided only 30½ crores, of which 7 crores will be charged to the depreciation fund.

14. I shall now attempt to show in outline some of the aspects of the railways' activities in the past year. The expansion of India's war effort has thrown an ever-increasing burden on railways, and it is now apparent that restrictions will have to be imposed on traffic over the heavily loaded sections of the system. In the years following the depression of 1930, railways were forced by financial stringency to reduce their locomotives and personnel to the numbers necessary for busy season requirements, and even line capacity was to some extent reduced by the removal, on single lines, of some crossing stations. Their ability therefore to deal with the increased traffic due to the war has been dependent largely on the utilisation of their spare capacity in the slack season and to some extent on a reduction of about 10 per cent. in the less important passenger train services. The result is that we have been able this year to deal with about 30 per cent. more freight ton miles than in 1938, the year preceding the war, and have been able to carry more passengers, the increase in passenger miles being about 16 per cent. As the traffic increased, the pressure was felt mostly on broad gauge engines and staff. Engines have been transferred from other railways to those most heavily loaded, but very little more relief can be expected by this means, as single line capacity, especially on the Great Indian Peninsula and the Bengal Nagpur Railways, will be the limiting factor. Further expansion of goods traffic on the fully loaded sections will therefore only be possible by a further reduction in passenger train services. I would here mention that the heaviest increase in traffic has been imposed on the Great Indian Peninsula Railway on which, compared with the pre-war year 1938, the increases are 55 per cent. in freight ton miles and 33 per cent. in passenger miles. The shortage of running staff is being made good, but this has been delayed to a great extent by our having to supply men to the Defence Department, to which I shall refer later.

15. No review of the traffic position would be complete without a reference to coal, the movement of which has accounted for about 40 per cent. of the total

[Sir Leonard Wilson.]

freight ton miles in the past year. I shall limit my further remarks to coal from the Bengal and Bihar fields. From these in the 12 months ending December 1941, we hauled over 1,075,000 wagons of coal, which is slightly more than in the previous year, but with rising demands the position is not satisfactory, and the extent to which we have been able to meet them was only possible at the expense of our stocks of locomotive coal which have been depleted by 500,000 tons. Further depletion cannot be permitted, and on some railways the stocks are too low and must be built up.

16. The coal for shipment, locomotives, government requirements and public utility concerns, which is normally given priority, accounted for 65½ per cent. of the wagons loaded. This left about 371,000 wagons for what is termed "public" supply. Of the wagons loaded for "public", it was found necessary in the last two months of the year to give priority to about 6,900, the coal being required for factories employed on war work whose stocks had fallen below 20 days' consumption. Such demands for priority are bound to increase with increasing consumption and it will be readily understood how essential it is to curtail consumption for all but essential purposes. The railways' action in reducing passenger services is intended not only to release capacity for goods traffic but also to reduce coal consumption.

17. I have already referred to the speculative nature of budget estimates in war time, and I am sure that it is generally accepted that this is inevitable, but some examples of the disturbances which upset our calculations may be of interest. The coal traffic alone, which was formerly handled by coastwise steamers but is now carried by rail to west coast ports, involves the constant use of over 4,000 wagons which could otherwise be employed in the carriage of higher rated traffic. When a railway is working to capacity, heavy movements of troop and prisoner specials cause a hold-up of goods traffic which cannot be overtaken. The lifting of branch lines and the supply to the Defence Department of track, locomotives and rolling stock and the conveyance of all these cause disturbances to other traffic and ultimately affect earnings. The evacuation of large numbers of people from threatened areas seriously affects the traffic on the railways concerned, especially on the sections working to full capacity. The effect of overloading of one railway, such as is being experienced by the Great Indian Peninsula Railway, has repercussions, which cannot well be estimated, on all railways interchanging traffic with it. The examples could be multiplied but I feel that those I have given, sufficiently outline the problems with which we are faced.

18. In regard to the supply of essential materials for maintenance purposes, the anxiety which I expressed last year has continued throughout the year and in some directions there has been a shortage. But considering all the difficulties to be overcome we have been more fortunate than might have been expected. With the approach of the war nearer to India, we must expect greater difficulty in obtaining supplies, and it is obviously impossible to foretell the extent to which this will affect our services. We have been dependent on imports for our supply of wheels, tyres and axles and during the war there has been delay in obtaining these. But owing to the enterprise of Messrs. Tatas, a plant which was started up in November 1941 will, after a trial period, be able to meet all our demands. This will be a source of gratification to all of us interested in the development of India's industrial resources.

19. The progress on locomotive building in the Ajmer Shops of the Bombay, Baroda and Central India Railway, now State-owned and managed, has, as I anticipated last year, suffered delay for want of materials. These shops

have been building from 10 to 15 metre gauge locomotives a year but have only been able to complete 9 of these during the past year, and this with material for which arrangements were made before the difficulties created by the war became acute. The building of the light broad gauge locomotives to which I referred last year, has made disappointing progress, and it is now improbable that materials will be available to enable the first to be completed by the end of this year.

20. In order to release for defence purposes an increased proportion of the capacity of the mill in Messrs. Tatas' works in which shell bar, heavy structurals and rails are rolled, Railways have had to restrict their demands for rails to those falling under the heading of "safety" and for urgent works with a definite war effort value, with the result that they have been able to obtain only about half their normal requirements for renewals.

21. Whilst on the subject of deferred renewals, it is well to remember that through the depression in the last decade it has been necessary, because of financial stringency, to follow the policy of deferring renewals which would otherwise have been carried out to maintain the assets in the highest state of efficiency and to deal with obsolescence. This policy must in war be followed more strictly, partly for the same reason but mainly for the overriding reason that materials are not available. This has resulted in accretions to the depreciation fund which, without this background, would appear to be excessive. It must also be remembered that the contributions to the fund do not exceed the original cost of the wasting assets divided by the average life in years of the assets. The amount in the fund cannot, therefore, exceed the requirements for replacement and must, in fact, fall short of those requirements if, as is usually the case, the replacement cost exceeds the original cost. During a period when the capital at charge has risen due to expansion of the system, there must be an increasing balance in the fund until the new assets fall due for replacement and are replaced. For these and other reasons the Railway Board are satisfied that the amounts in the fund accruing on the present basis will certainly not be more than necessary to meet the calls which will be made upon it in the future and they may well prove to be inadequate.

22. Last year when dealing with the revised estimates for 1940-41 I informed the House that we had made provision for a dearness allowance which was then under consideration. In March, 1941 it was decided to pay certain allowances in addition to the wages of September 1940 and subsequent months. In November 1941 these allowances were enhanced 50 per cent. and extended in their application to more employees than had hitherto received them. The allowances now stand at Rs. 4-8 on pay up to Rs. 70 per mensem in Bombay and Calcutta, Rs. 3-12 on pay up to Rs. 60 per mensem in towns with a population of 100,000 and over and in certain other important centres and Rs. 3 on pay up to Rs. 35 per mensem in other areas. On both occasions the allowances were decided upon after discussion and in agreement with the representatives of organised labour.

23. Work on munitions production has steadily increased throughout the year in railway workshops, and there are now some 16,000 workshop employees engaged on this work. This has involved the recruitment and training of a large number of men, in replacement, in order to carry on the railway work in the shops. From the shops and from all other branches of the service we have supplied men for Military Railway Companies and we have also undertaken the recruitment and training of the large additional number required for these companies. The total number involved is about 20,000. Up to date 233 officers have been released for service in the Defence and Supply Departments. It will be appreciated that the work of recruitment and training has thrown a heavy burden on the considerably depleted experienced staff of the railways.

[Sir Leonard Wilson.]

24. Last year I informed the House that, in order to provide track for defence purposes, branch lines covering 348 miles had been, or were about to be, lifted. Further urgent demands for track arose during the year and the total mileage lifted in the two years will amount to 770. This has necessitated the removal of 19 branch lines. In addition, we shall have supplied in the same period about 800 miles of track from stock and from rails released by relaying operations. Fortunately we have not had to meet all the demands for track, and new rollings will cover a mileage not far short of that provided by lifting. There have been heavy demands for metre gauge engines and rolling stock and lighter demands for broad gauge stock. The supply of these is progressing as rapidly as circumstances permit.

The less used branches, provided the track was suitable, have been lifted, thereby limiting the inconvenience to the public as far as possible though this may not be appreciated by those directly affected. The withdrawal of engines and rolling stock can be and has been spread throughout the country, thus widely distributing any effects which may result from shortage of stock. It must be borne in mind that the track, engines and rolling stock are required for the defence of India in which transport plays so vital a part and that their withdrawal is therefore in the best interests of the country.

25. With the approach of the war to India, it has become necessary for railways to undertake certain measures for the continuance of railway communications in the event of an attack by the enemy, particularly from the air. These measures, taken in close co-operation with Military Authorities and Provincial Governments, include the constitution of Air Raid Precautions Services on railways, lighting restrictions, structural protection of important railway installations, the provision and distribution of reserves including bridge spans and tools and plant, the protection of railway personnel and passengers, and war planning. Considerable progress has been made with these measures, particularly in the areas most threatened.

26. Our recent experience in handling the voluntary evacuation by rail of some 500,000 people from the Calcutta area has been valuable and will enable us to make improvements in the arrangements where these have proved to be necessary. On this occasion we had the close co-operation of the Bengal Government and the business community which it gives me great pleasure to acknowledge. The maximum capacity of the railways for evacuation was not utilised as this would have involved a dislocation of goods services which did not, in the circumstances, appear warranted, and it is in deciding what measures should be taken at a given time that the co-operation I have mentioned is so helpful. Despite an element of panic among some sections of the public, the railwaymen carried on under difficult conditions, and I trust that due allowance will be made for this by those who suffered inconvenience on the railways at that time.

27. The nature of the duties of railwaymen engenders self-reliance and a sense of responsibility and, in all plans made to meet the consequences of enemy attack, or the fear of it, the country expects them to carry on, not only as usual but more so, and I believe we can rely on them. We whose duty it is to guide the affairs of so vast an undertaking as the Indian State Railways, are under no misapprehension as to our abilities and we are well aware that such success as railways have had in their various endeavours during the past year is, as ever, dependent on the loyal co-operation of railwaymen of all ranks which it is now my privilege gratefully to acknowledge. (Applause).

STATEMENT OF BUSINESS.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Sir, I propose that we meet again on Monday, the 23rd, when the Bills laid on the table this morning will be taken into consideration.

The Council then adjourned till Eleven of the Clock on Monday the 23rd February, 1942.

COUNCIL OF STATE.

Monday, 23rd February, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

NAMES OF NEWSPAPERS THE EXPORT OF WHICH HAS BEEN PROHIBITED.

2. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state whether there are any Indian newspapers the export of which to foreign or neutral countries has been prohibited? If so, how many are they; and will Government lay on the table a statement showing the names of newspapers, the names of countries to which their export has been banned, and also the reasons for the same?

THE HONOURABLE MR. E. CONRAN-SMITH: The refusal or withdrawal of an export permit for newspapers to neutral countries is based solely on grounds of military security, the deciding factor being whether the newspaper in question publishes matter which would be useful to the enemy or to hostile elements in neutral countries. The control of export permits for newspapers the contents of which would be of use to the enemy is one of the functions of censorship, and the censorship regulations preclude the giving of publicity to the action taken in specific cases. I am, therefore, unable to lay on the table details of the newspapers for the export of which permits may have been refused or withdrawn. I wish to emphasise, however, that there is no restriction whatever on the export of newspapers from British India to the United Kingdom, to any part of the British Empire, or to North or South America, and in fact that no permit is required for export to any of these countries. The only possible exception is the case of three newspapers the export of which to Burma is useless as the Burma authorities refuse to admit them. The list of newspapers to whom permits are refused is under constant review, and immediate action is taken to renew the permit in any case where a change in circumstances or in the nature of the material published by any paper renders this possible. At present, export permits to neutral countries are refused in the case of 63 newspapers only; this represents interference with probably less than one-tenth of the circulation of some 1½ per cent. of the total number of newspapers published in this country.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will the Honourable Member lay on the table a list of the newspapers the export of which is prohibited at the present time?

THE HONOURABLE MR. E. CONRAN-SMITH: I think, Sir, I covered that question in my reply when I said that I was not able to lay on the table details of the newspapers affected. The reason I gave was the censorship regulations which preclude the giving of publicity to the action taken in specific cases.

Questions against the Hon. Raja Yuveraj Dutta Singh were put by the Hon. Mr. V. V. Kalikar.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I am not asking to know what was the matter published in those newspapers on account of which their export was prohibited. All I want to know is the names of the newspapers concerned, and if the Honourable Member gives that information surely he will not be giving publicity to any information valuable to the enemy.

THE HONOURABLE MR. E. CONRAN-SMITH : I will consider the Honourable Member's suggestion, but as I am advised at present the censorship regulations do preclude me from giving even the list for which the Honourable Member asks. May I express the hope that he will be satisfied with the very full explanation I have given which showed how minute is the degree of interference with the Press.

THE HONOURABLE THE PRESIDENT : Have you any objection to showing the list to the Honourable Member ?

THE HONOURABLE MR. E. CONRAN-SMITH : I believe, Sir, there would be no objection to that, but I should like to consider the matter.

THE HONOURABLE MR. P. N. SAPRU : Is the export of these papers also prohibited to the Soviet Union ? Are there any restrictions so far as the Soviet Union and China are concerned ?

THE HONOURABLE MR. E. CONRAN-SMITH : I thought I made that point also clear in my reply when I said there is no restriction on the export of newspapers to the United Kingdom, to any part of the British Empire or to North and South America. It follows from that observation that Soviet Russia is included in the countries to which export may be prohibited.

THE HONOURABLE MR. P. N. SAPRU : May I take it that they are included in the list of enemy countries to which newspapers cannot be sent ?

THE HONOURABLE MR. E. CONRAN-SMITH : Perhaps I should read again the portion of my reply in which I covered that question. I said, "the deciding point is whether the newspaper in question publishes matter which would be useful to the enemy or to hostile elements in neutral countries". It follows from that, and from what I said later as regards the countries in the case of which there is no restriction, that the export of a newspaper may be prohibited to any country other than those which I have specifically mentioned.

THE HONOURABLE MR. P. N. SAPRU : Are we to take it that there are hostile elements in the Soviet Union and China and therefore they have been excluded ?

THE HONOURABLE THE PRESIDENT : You are asking for the opinion of the Honourable Member. I disallow it. If you put that question in another form I may allow it.

THE HONOURABLE MR. P. N. SAPRU : Am I to understand that for some purpose the Honourable the Home Secretary regards China and the Soviet Union as hostile countries subject to propaganda which does not suit the British Government ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is the export of Indian newspapers in general or of specific newspapers prohibited to the Soviet Union or to China ?

THE HONOURABLE MR. E. CONRAN-SMITH : That, Sir, I think would definitely be giving details the publicity of which is prohibited.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I am not asking for the names of the newspapers. I am merely asking to know whether as a matter of fact the export of all newspapers or of a few newspapers is prohibited to those two countries ?

THE HONOURABLE MR. E. CONRAN-SMITH : I must ask for notice of that question.

THE HONOURABLE MR. P. N. SAPRU : Has the Government of India made any representation to His Majesty's Government that Sir Stafford Cripps should be removed from office ?

THE HONOURABLE MR. E. CONRAN-SMITH : I am sorry, Sir, I find great difficulty in hearing what the Honourable Member is saying.

HINDUSTAN AIRCRAFT FACTORY.

3. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state whether the Hindustan Aircraft Factory is in full working order and how many aircraft approximately are turned out every month by the Factory ?

THE HONOURABLE MR. A. DEC. WILLIAMS : It is regretted it is not possible to give the information asked for. It is not in the public interest to do so.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is it even contrary to the public interest to say whether the factory is in full working order ?

THE HONOURABLE MR. A. DEC. WILLIAMS : Yes, Sir.

THE HONOURABLE MR. HOSSAIN IMAM : Is the Government interested in the business of this company ?

THE HONOURABLE MR. A. DEC. WILLIAMS : Yes, Sir.

THE HONOURABLE MR. M. N. DALAL : Have Government any agreement to guarantee purchase of a certain number of aircraft before or after the war ?

THE HONOURABLE MR. A. DEC. WILLIAMS : I am not prepared to give detailed information, Sir.

MILITARY TRAINING IN EDUCATIONAL INSTITUTIONS IN BIHAR.

4. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : (a) Was it proposed to introduce military training in the educational institutions in Bihar about two or three years back, but owing to certain objections by the Central Government the scheme could not take a practical shape at that time ? If so, what were those objections ?

(b) Are Government aware that military training on a very modest scale will be introduced in Bihar from July next, but there is no provision

for rifle practice? If so, what is the brief outline of the scheme, and why have Government not sanctioned the introduction of rifle practice?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): (a) A scheme for starting a military college for instructors, who could train students in schools and colleges and later citizens in general, was received from the Government of Bihar in 1939. The proposal was the subject of correspondence between the Central and Provincial Governments up to the outbreak of war, when it was dropped.

(b) The Government of India are not aware of any such proposal.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask whether it was dropped by the Provincial Government or under instructions from the Centre?

THE HONOURABLE MR. A. DEC. WILLIAMS: No instruction was given to drop it, but it was dropped by the Provincial Government for the reason that it was initiated by the Provincial Government.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Was it dropped because of the attitude of the Government of India?

THE HONOURABLE MR. A. DEC. WILLIAMS: I am unable to say, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Has the Honourable Member looked into the matter or not?

(No reply was given.)

CORRECTNESS OF THE CENSUS FIGURES IN ASSAM.

5. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Has the attention of Government been drawn to the following resolution passed by the special Conference of the Assam Provincial Hindu Mahasabha held under the presidency of Mr. V. D. Savarkar, on the 21st and 22nd November, 1941 (*vide the Amrita Bazar Patrika*, dated the 27th November, 1941):—

“Whereas the Assam census figure for 1941 reveal that the Hindus who numbered over 52 lakhs in the last Census have been reduced to a little over 45 lakhs; and whereas the average increase of the population in Assam in present Census is 18 per cent., the Hindus ought to have exceeded 61 lakhs; similarly the Christians who were 2½ lakhs in 1931 have fallen as low as 67 thousands, and the Buddhists have shown a decrease from 15 to 8 thousands, and, on the other hand, the Muslims have increased from 27 lakhs and 80 thousands in 1931 to 39 lakhs now, indicating a rise of about 25 per cent. while the Tribals have grown up from 10 lakhs to about 28 lakhs, recording an increase of 180 per cent., and whereas the whole thing has been deliberately planned with a view to undermine the strength and unity of the Hindus; and whereas the contentions of Sir Reginald Maxwell, the Indian Government's Home Member recently made on the floor of the Central Assembly to the effect that the calculations on this occasion have been made on the basis of ‘community’ is wholly fallacious as evinced in its application to the Muslims, this conference therefore demands that the figures published in the *Assam Gazette*, dated the 6th August, 1941, should be

rejected by the Government of India, and open resorting and recounting be directed to remove public suspicion?”

What steps, if any, have been taken or are proposed to be taken in this connection?

THE HONOURABLE MR. E. CONRAN-SMITH: Yes. The Honourable Member's attention is invited to the reply given by the Honourable the Home Member on the 17th November, 1941 in the Legislative Assembly to clauses (b) and (c) of Mr. Ananga Mohan Dam's question No. 184. I have nothing to add to the statement made therein.

CENSUS FIGURES OF TRIBESMEN OF ASSAM.

6. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Has the attention of Government been drawn to the following Resolution passed at the special Conference of the Assam Provincial Hindu Mahasabha held on 21st and 22nd November, 1941, at Gauhati (*vide the Amrita Bazar Patrika*, dated the 27th November, 1941):—

“That whereas the tribal people are an integral part of the Hindu community, and whereas in pursuance of the policy of ‘divide and rule’ attempts are recently being made to wean them away from Hindu fold, this conference strongly condemns the move of the present Government in pursuing this gravely unfair and ruinous policy”?

Have Government made any impartial enquiry into the above allegation, and what are the true facts in this connection?

THE HONOURABLE MR. E. CONRAN-SMITH: Yes. From the scientific standpoint the tribal community form a separate community irrespective of the religious divisions among them. The last census did not attempt to classify them according to religion but only as a community and any inference from those operations, to the effect that attempts were being made to affect the religious allegiance of the tribesmen is entirely devoid of factual basis. The correct position has already been stated in another place by the Honourable the Home Member on the 17th November, 1941 in reply to clauses (b) and (c) of Mr. Ananga Mohan Dam's question No. 184, to which the attention of the Honourable Member is invited.

POST-WAR POLICY IN REGARD TO INDIAN SHIPPING.

7. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Is it a fact that the requisitioning of vessels of Indian shipping companies by the Government of India took place over two years ago, but such questions as the rate of hire payable for running the vessels, or rate of compensation in the event of loss of vessels, replacement costs of vessels, etc., still remain to be settled? If so, when will they be settled?

(b) What is the proposal with regard to the long range and post-war policy of Government in respect of Indian shipping?

THE HONOURABLE SIR ALAN LLOYD: (a) The reply to the first portion is in the affirmative. As regards the second portion Government are unable to state when the matters will be settled but are doing whatsoever is possible to expedite disposal.

(b) The attention of the Honourable Member is invited to the reply given by the Honourable the Commerce Member to (b) of starred question No. 239

asked by Mr. Akil Chandra Datta in the Legislative Assembly on the 3rd March, 1941. The matter will be brought to the notice of the appropriate Reconstruction Committee.

MOVE OF GOVERNMENT TO SIMLA.

8. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is it a fact that the Government of India propose to acquire the site and buildings of Grand Hotel, Simla, and some other places for the accommodation of their staff and their officials? If so, what is the approximate financial outlay involved in the scheme? Why do not Government cut out the "Simla exodus" altogether?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: Yes, the site and buildings of the Grand Hotel and "Chadwick" are being purchased. Other accommodation is either being leased or requisitioned to accommodate new Honourable Members and officers only. The approximate financial outlay involved is Rs. 12,85,000 (part of which will be recovered from the Defence Services Estimates). In addition, an expenditure of Rs. 10,35,000 is likely to be incurred in the construction of 80 flats at the Grand Hotel.

The question of abandoning the move to Simla on account of the war situation was considered by Government and after a very careful examination of all its aspects it was decided to continue the move in the interests of administrative efficiency. But I can assure the Honourable Member that Government are closely watching the situation and public interest will continue to be the deciding factor.

THE HONOURABLE MR. P. N. SAPRU: Will the Honourable Member give us, apart from the general outlay, the price paid for the purchase of the Grand Hotel?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: I have not the figures with me, but if I recollect rightly—I should not depend on my memory—something like Rs. 5 lakhs was the price paid for the Grand Hotel inclusive of all the buildings. If you want exact figures, I shall need notice of that question.

ENLISTMENT OF AFRIDIS IN THE INDIAN ARMY.

9. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Has enlistment to the Indian Army been thrown open to the Afridis? If so, how many of them have so far been recruited?

(b) Is there any section or community in India who are debarred from enlistment as soldiers in the Indian Army? If so, which are they?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): (a) Enlistment of Afridis has been open for many years and about 500 are now serving in the Indian Army.

(b) The answer to the first part is no. The second part does not, therefore, arise.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask if Sayyeds are eligible for enlistment now?

THE HONOURABLE MR. A. DEC. WILLIAMS: What is the intimate connection between them and the Afridis?

THE HONOURABLE MR. HOSSAIN IMAM: It arises out of part (b).

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: If it has always been open to Government to recruit Afridis, why was it announced only about three or four weeks back that the recruitment to the army had been thrown open to the Afridis?

THE HONOURABLE MR. A. DEC. WILLIAMS: I am not aware of that announcement, but if, as the Honourable Member says, it was made it must have related to the Tirrah Afridis who, as they were connected with the Peshawar disturbances in 1930, were for a considerable period debarred from recruitment. It is now proposed to form a garrison battalion of Tirrah Afridis.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is it intended to include the Afridis?

THE HONOURABLE MR. A. DEC. WILLIAMS: I said so, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is the reason then for recruiting a large number of men from across the border instead of recruiting them in India itself?

THE HONOURABLE MR. A. DEC. WILLIAMS: We want as many men as we can get.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is there any difficulty in obtaining men? You say you have no difficulty in obtaining recruits and that you are getting 50,000 recruits a month.

THE HONOURABLE MR. A. DEC. WILLIAMS: I cannot see that recruiting other tribes in any way detracts from the need for recruitment of Afridis.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is the reason for recruitment of men for the Indian Army from across the border and not recruiting them completely within the borders of India?

THE HONOURABLE MR. A. DEC. WILLIAMS: I presume the Honourable Member would wish to exclude the Gurkhas from the Indian Army?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: The Honourable Member will remember that I protested against the Government of India sending Indian troops out and bringing in Gurkhas in their place. If they want help from Nepal they can send Gurkhas outside India and on the same principle I ask that Afridis should not be recruited when plenty of men are available in this country.

THE HONOURABLE MR. A. DEC. WILLIAMS: I think these things do not arise out of the question if the Honourable Member will look at it again.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I did not hear the Honourable Member's reply.

THE HONOURABLE MR. A. DEC. WILLIAMS: It does not arise in my opinion, Sir. The question is regarding the recruitment of Afridis.

THE HONOURABLE THE PRESIDENT (to the Honourable Mr. A. DEC. Williams): You would shorten the debate if you simply remained silent and did not answer such questions.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Is it also a fact that Punjab States are being allowed to recruit people from trans-border tribes?

(No reply was given.)

NUMBER OF INCOME-TAX ASSESSMENTS PENDING ON 31ST DECEMBER 1941.

10. THE HONOURABLE SIR SHANTIDAS ASKURAN: (1) Will Government state—

(a) the number of income-tax assessments, with separate figures classified according to provinces, pending for—

(i) the assessment year 1936-37,

(ii) the assessment year 1937-38,

(iii) the assessment year 1938-39,

(iv) the assessment year 1939-40,

(v) the assessment year 1940-41, and

(vi) the assessment year 1941-42;

(b) the total amount involved in each case; and

(c) the particulars for each of the years as to the reasons for the delay in completion of the assessments, i.e., whether due to administrative causes or due to causes such as legal proceedings, points of dispute, etc.?

(2) (a) Will Government state what portion of these arrears has been included as realisable while framing the budget estimates for 1941-42?

(b) If the same has not been so included, do Government propose to consider the desirability of making adequate provisions for the same in framing the budget estimates for 1942-43?

(3) Do Government propose to take steps to expedite the disposal of these pending assessments?

THE HONOURABLE MR. C. E. JONES: (1) (a) A statement is laid on the table of the House.

(b) The information cannot be collected without a detailed examination of all the pending cases which will involve an expenditure of time and labour incommensurate with the results obtained.

(c) Various reasons such as adjournments for production of accounts, correspondence with assessees on points of dispute, assessments in partners' cases being held up owing to non-completion of the firm's assessment, calculation of written down value, pending appeals, etc., have contributed to the delay.

(2) (a) and (b). The Honourable Member can rest assured that these factors are taken into account in framing the budget estimates.

(3) Steps have already been taken to expedite the disposal of pending assessments.

Statement showing the number of assessments pending on 31st Decmber, 1941.

Commissioner's Province.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.	1941-42.
Punjab, N. W. F. P. and Delhi	..	5	24	111	752	16,703
United and Central Provinces	..	20	43	216	841	16,835
Bombay (Central)	1	89	151	214	472	598
Bengal	5	46	216	831	3,974	34,981
Calcutta (Central)	..	9	25	77	304	409
Bihar and Orissa	1	1	3	389	365	6,694
Madras	..	26	99	175	938	16,957
Assam	..	..	..	..	17	1,873
Bombay, Sind and Baluchistan	..	18	284	1,616	7,913	61,370
TOTAL	7	214	845	3,629	15,576	1,56,420

MILITARY TRAINING AT BENARES HINDU UNIVERSITY.

11. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Have Government refused sanction to military training in the Hindu University, Benares? If so, why?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): No, Sir. A unit of the University Training Corps already exists at the Benares Hindu University.

WAR RISKS INSURANCE SCHEMES.

12. THE HONOURABLE MR. M. N. DALAL: (1) Have Government under consideration a compulsory war risk insurance scheme for—

(a) (Real Property) property, houses, buildings?

(b) (Business Scheme) for movable property, plant, machinery?

(c) (Special Scheme) for farmers and agriculturists?

(2) Have Government considered the advisability of a voluntary war risk insurance scheme for private chattels?

(3) If the reply to (1) or (2) is in the affirmative, will Government lay a full statement on this question on the table of the House?

THE HONOURABLE SIR ALAN LLOYD: (1) The only compulsory war risks insurance scheme which Government have actively under consideration is that relating to plant and machinery in factories as defined under the Indian Factories Act and certain buildings appertaining to factories. The details of the scheme have not yet been finally settled.

(2) Yes, but such a scheme has been found to be impracticable in India.

(3) Government have no further statement to make.

THE HONOURABLE MR. M. N. DALAL : In the event of the enemy landing in some part of India, we may be compelled to blow up some of our vital factories to follow a scorched earth policy. In that case will Government compensate factory owners after the war ?

THE HONOURABLE SIR ALAN LLOYD : I will see that that point is given careful consideration in the working out of the War Insurance scheme applicable to factories.

THE HONOURABLE SIR SHANTIDAS ASKURAN : How long will this scheme be considered and when will it come into practice ?

THE HONOURABLE SIR ALAN LLOYD : Within a very few days, I hope, Sir.

WAR TRANSPORT BOARD.

13. THE HONOURABLE MR. M. N. DALAL : (a) What is the function, personnel and administration of the War Transport Board ?

(b) How is this Board connected with the Department of Communications ?

(c) Do the activities of these two Departments overlap ? If so, how ?

THE HONOURABLE SIR LEONARD WILSON : (a) The War Transport Board consists of representatives of the various Departments of the Government of India which are concerned with the use of transport in relation to the war. It is presided over by the Honourable Member in charge of the Communications Department. An Under Secretary in the Department of Communications is *ex-officio* Secretary to the Board. The Board is concerned with transport conditions as affecting and affected by the prosecution of the war.

(b) Its office is an Attached Office under the Communications Department, but the Board itself is designed to co-ordinate the activities of the various departments, including the Communications Department, concerned in transport for war needs.

(c) The Board is, of course, concerned with some of the activities of the Communications Department in so far as they affect transport, but such action as may be required in respect of subjects falling within the sphere of the Department is taken by the Department and not by the Board.

THE HONOURABLE MR. P. N. SAPRU : Are we to take it that the composition of the Board is purely official ?

THE HONOURABLE SIR LEONARD WILSON : Yes.

SUPPLY DEPARTMENT.

14. THE HONOURABLE MR. M. N. DALAL : What is the total value of orders executed by the Supply Department during the year ending 31st December, 1941—

(a) On behalf of India ?

(b) On behalf of Great Britain ?

(c) On behalf of the various countries of the Eastern Group ?

THE HONOURABLE MR. A. DEC. WILLIAMS : The total value of orders placed by the Supply Department during the calendar year 1941 was approximately Rs. 150 crores. It is not possible to classify this total in the way desired by the Honourable Member as the heads of account proceed on a different basis and adjustments have to be made in some cases after the close of the year.

THE HONOURABLE MR. HOSSAIN IMAM : Can the Honourable Member give approximate figures ?

THE HONOURABLE MR. A. DEC. WILLIAMS : I said "approximately", Sir.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

15. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (a) Is the contract for catering the Hindu travelling public at Delhi Junction Station on the North Western Railway given to one Ballabhdas Eshwardas ?

(b) Is it a fact that one of the terms of the contract is that the North Western Railway will nominate an ex-employee of that Railway to be employed by the contractor ?

(c) Did the contractor employ one Mr. Ryan an ex-employee of that railway and that Mr. Ryan is now succeeded by one Mr. Trein Dod also an ex-employee of that Railway ?

(d) What was the object of employing a non-Hindu for supervising catering for Hindus ?

(e) In what capacity have both the ex-employees been employed by Ballabhdas Eshwardas and on whose recommendations ?

THE HONOURABLE SIR LEONARD WILSON : (a), (b), (c), (d) and first part of (e).—I would refer the Honourable Member to the reply given in the Legislative Assembly to Dr. Banerjee's unstarred question No. 29 of the 5th of November, 1941. As regards the concluding portion of part (e), Government has no information.

THE HONOURABLE MR. V. V. KALIKAR : Can a contractor under the rules of the contract employ any employee who is found suitable for the work ?

HONOURABLE SIR LEONARD WILSON : Yes, Sir.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

16. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : On what conditions and considerations are the passes for the first, second, inter and third classes issued to Ballabhdas Eshwardas referred to in the preceding questions and his servants or employees ?

THE HONOURABLE SIR LEONARD WILSON : I would refer the Honourable Member to the reply given in the Legislative Assembly to Pandit Nilakantha Das's unstarred question No. 57 of the 25th of February, 1941, parts (a) and (c).

Questions against the Hon. Haji Syed Mohamed Husain were put by the Hon. Mr. Hossain Imam.

THE HONOURABLE MR. HOSSAIN IMAM : Was the question in the other House identical to the present question ?

THE HONOURABLE THE PRESIDENT : The Honourable Member has not answered any question. He only refers to that question. You must presume that it must be identical.

THE HONOURABLE MR. V. V. KALIKAR : Do the Railways issue passes to other contractors also or only to Ballabhdas Eshwardas ?

THE HONOURABLE SIR LEONARD WILSON : They give passes to other catering contractors also.

THE HONOURABLE MR. HOSSAIN IMAM : Do they give the same number of passes to other contractors as to Ballabhdas Eshwardas ?

THE HONOURABLE SIR LEONARD WILSON : I require notice of that question.

THE HONOURABLE MR. P. N. SAPRU : Is the number of Hindu, Muslim and Christian contractors equal ? I mean there are other Hindu contractors also.

THE HONOURABLE THE PRESIDENT : Order, order. Next question please.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

17. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (a) Has the contract for catering Hindu travelling public on the East Indian Railway been given to one Ballabhdas Eshwardas terminating at stations :—

- (i) Hardwar on Hardwar-Dehradun Section ;
- (ii) Laksar on Moghalsarai-Saharanpur Section ;
- (iii) Moradabad on Delhi-Moradabad Section ;
- (iv) Aligarh on Moghalsarai-Delhi Section ;
- (v) Kieul on Moghalsarai-Asansol Section ; and
- (vi) Gaya on Moghalsarai-Dhanbad Section ?

(b) Are passes issued in favour of Ballabhdas Eshwardas and his servants or employees by the East Indian Railway permitting journey up to Delhi ?

(c) Is the section between Ghazialad and Delhi under the East Indian Railway for catering the travelling public and for purposes of the issue of passes for contractors serving under the North Western Railway ?

THE HONOURABLE SIR LEONARD WILSON : (a) I would refer the Honourable Member to the information laid on the table in the Legislative Assembly in reply to Maulvi M. A. Ghani's starred question No. 207 of 28th February, 1941.

(b) I understand this is so.

(c) No. I understand that the North Western Railway does all station vending on this section. Passes for their respective dining car contractors and servants are, I believe, issued by each—the North Western and the East Indian Railways.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

18. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (i) Does Ballabhdas Eshwardas enjoy almost a monopoly of catering the Hindu travelling public on the East Indian Railway ?

(ii) Will Government state—

- (a) the total number of contracts of eatables on the East Indian Railway held by Ballabhdas Eshwardas including fruits, tea stalls, sweetmeats and milk with the names of stations ;
- (b) the total number of other contracts and the nature of articles held by Ballabhdas Eshwardas ; and
- (c) the names of stations where there are two or more contractors to sell fruits and where Ballabhdas Eshwardas is one of the contractors and those where he is not ?

THE HONOURABLE SIR LEONARD WILSON : (i) The firm holds a large share of the catering business of the East Indian Railway, but certainly not a monopoly.

(ii) (a) I would refer the Honourable Member to the information laid on the table in the Legislative Assembly in reply to Maulvi M. A. Ghani's starred question No. 207 of the 28th February, 1941. Further details are not available with Government.

(b) and (c). I regret the information is not available with Government.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

19. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : When will the contracts with Ballabhdas Eshwardas be terminated on the East Indian and the North Western Railways ?

THE HONOURABLE SIR LEONARD WILSON : With your permission, Sir, I propose to reply to this and the next question together.

Government has no information as to when the contracts are likely to be terminated. The termination, continuation, or disposal of such contracts is entirely within the competence of the Railway Administrations concerned.

THE HONOURABLE MR. HOSSAIN IMAM : Do the Agents consult the Local Advisory Committee in giving contracts ?

THE HONOURABLE SIR LEONARD WILSON : I should require notice of that question, Sir.

THE HONOURABLE MR. N. K. DAS : If the work of the contractor is satisfactory and he is otherwise fit, would it not be reasonable to extend his contract for another term of years ?

THE HONOURABLE SIR LEONARD WILSON : Yes, Sir.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

20. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : How do Government propose to dispose of the contracts on termination with Ballabhdas Eshwardas on the East Indian and the North Western Railways ?

(See reply to question No. 19.)

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

21. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: In or about September, 1941, did the General Manager, East Indian Railway, give Ballabhdas Eshwardas the monopoly of the opening of grain shops on the Railway; if so, on what conditions and for what consideration the addition is made to former contracts with Ballabhdas Eshwardas?

THE HONOURABLE SIR LEONARD WILSON: The reply to the first part is in the negative, the latter part does not arise.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

22. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Did the General Manager, East Indian Railway, advertise the contract for opening the grain shops on the Railway prior to its execution with one Ballabhdas Eshwardas; and did he invite applications from persons in that trade in the local area where the shops are opened; if not, why not?

THE HONOURABLE SIR LEONARD WILSON: The reply to the first two parts is in the negative; as regards the last part, it was not considered necessary.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

23. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Will Government lay on the table of the House a statement of the passes issued to Ballabhdas Eshwardas by the East Indian Railway Administration showing:—

- (i) the class of the travelling accommodation;
- (ii) the pay of the employee in whose favour it is issued; and
- (iii) the reasons for issuing passes for employees whose pay does not exceed Rs. 176 and Rs. 75 for second class and inter class, respectively?

THE HONOURABLE SIR LEONARD WILSON: (i) I understand the contractor himself is given a 1st class pass, his supervisory staff 2nd class passes, and his servants third class passes.

(ii) and (iii). Government has no information as to the salaries paid by the contractor to his employees.

THE HONOURABLE MR. HOSSAIN IMAM: Is there any rule about the class of passes given to Government servants drawing certain pays?

THE HONOURABLE SIR LEONARD WILSON: Yes, Sir.

THE HONOURABLE MR. HOSSAIN IMAM: Is that rule applicable to the contractor as well?

THE HONOURABLE SIR LEONARD WILSON: No, Sir.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

24. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Will Government state the reasons for renewing the contracts with Ballabhdas Eshwardas year after year on the East Indian and the North Western Railways and not inviting applications from other persons in the trade in the local areas?

THE HONOURABLE SIR LEONARD WILSON: Particulars of the contracts are not maintained by the Government of India or the Railway Board. The only contract available here is one of indefinite duration. It does not require any renewal, but is terminable by either party on giving six months notice of termination. In accordance with the accepted recommendations of the Central Advisory Council, contractors or vending licensees, who have rendered, or are rendering satisfactory services are not being replaced.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

25. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Will Government lay on the table of the House a statement showing the nature of complaints made against the catering of Ballabhdas Eshwardas on the East Indian and the North Western Railways during the preceding four years with the action taken thereon and the names of the officials who investigated into the complaints?

THE HONOURABLE SIR LEONARD WILSON: I would refer the Honourable Member to the reply given in the Legislative Assembly to part (c) of Qazi M. A. Kazmi's unstarred question No. 44 of 10th November, 1941.

THE HONOURABLE MR. N. K. DAS: Will Government please place on the table letters of appreciation received by this contractor in respect of his satisfactory catering?

THE HONOURABLE SIR LEONARD WILSON: Government has no such information, Sir.

REPORT ON CATERING ON THE N. W. R. BY THE LOCAL ADVISORY COMMITTEE.

26. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Has the North Western Railway appointed the members of the Local Advisory Committee to enquire into the working of the catering on the stations; if so, will Government lay on the table of the House the report submitted by the members and the orders passed thereon by the Railway Administration?

THE HONOURABLE SIR LEONARD WILSON: The answer to the first part of the question is in the affirmative. The report has not been received by Government or the Railway Board and as it relates to a matter of local interest I do not propose to lay it on the table.

THE HONOURABLE MR. HOSSAIN IMAM: Have Government received that report? Has the report been submitted?

THE HONOURABLE SIR LEONARD WILSON: I have replied to that, Sir.

TERMS FOR RETIRED RAILWAY OFFICERS, ETC., TEMPORARILY RE-EMPLOYED DURING THE WAR.

27. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Will Government state the terms and conditions on which the gazetted staff are re-employed on the East Indian Railway up to the 31st October, 1941?

THE HONOURABLE SIR LEONARD WILSON: I am not aware of the re-employment of any gazetted officer on the East Indian Railway prior to the 1st November, 1941 but the terms for retired officers and other staff temporarily re-employed during the war, are contained in Railway Board's letter No. E41WA272/2, dated 2nd October, 1941, a copy of which I lay on the table of the House.

Copy of letter No. E41WA272/2, dated the 2nd October, 1941, from the Railway Board, Simla, to the General Managers, E. B., E. I., G. I. P. and N. W. Railways.

SUBJECT.—Terms for retired officers and non-gazetted staff on temporary re-employment during the war.

The Railway Board have had under consideration the terms and conditions of service which should be applicable to retired gazetted and non-gazetted staff who may be offered temporary re-employment during the war. They have now decided that such staff should be employed on the terms indicated in Form No. 11 appearing in Appendix XXIV, page 377 of the State Railway Establishment Code, Volume I, headed 'Form of Declaration to be signed by temporary Engineers'. All employees should sign a suitable Declaration of this type.

2. As regards the pay and allowances to be drawn by such staff, I am to communicate the sanction of the Governor General in Council to the following—

- (i) A retired railway servant offered re-employment should be given the pay of the post to which he is appointed. If the post to which he is appointed is on an incremental scale of pay identical with that attached to the substantive post from which he retired, he should be given pay equal to his substantive pay at the time of retirement and an increment on completing twelve months' service after re-employment. If the incremental scale of pay attached to the post to which he is appointed is lower than that of the post he held substantively at the time of retirement, he will draw the maximum of the lower incremental scale.

If the post to which he is appointed is a temporary one and is borne on the cadre of an existing railway service, it will carry the scale of pay (old or revised) to which the re-employed officer would have been entitled prior to his retirement.

- (ii) *Pensionable staff*.—General Managers may at their discretion fix the pay of individual employees on their re-employment in accordance with the principles laid down in Article 521 of the C. S. R., vide Rule 2611 of the State Railway Establishment Code, Volume II, taking into consideration the pay drawn by each employee prior to his retirement.

- (iii) *Allowances*.—Re-employed staff will also be eligible for such compensatory and house rent allowances as may be admissible to other railway servants.

PROCEDURE OF ENQUIRY INTO COMPLAINTS IN RESPECT OF CATERING ON RAILWAYS.

28. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: (a) Will Government state the procedure prescribed for enquiring into the complaints in respect of catering on railways?

- (b) Is the complainant asked to substantiate the complaint?

(c) Who is competent to hold an enquiry against the catering of Hindu travelling public of Ballabhdas Eshwardas on the East Indian and the North Western Railways?

THE HONOURABLE SIR LEONARD WILSON: (a) and (b). The procedure of enquiry must depend on the nature of the complaint which will also determine whether it is desirable to ask the complainant to substantiate it.

(c) Those competent to hold enquiry may include senior subordinates, divisional officers or officers of the headquarters.

FAKIR-JO-GOTH INCIDENT.

29. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government make a statement relating to the alleged attack by some military soldiers on villagers of Fakir-jo-Goth in Karachi district (Sind), about the 14th December, 1941, in course of which the villagers, both male and female, are said to have been assaulted and maltreated? Has any enquiry been made, and, if so, by whom? What are the facts, and what steps have been taken, in that connection?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): A statement has been laid on the table.

Statement re the Fakir-jo-Goth incident.

Under the order of the Government of Sind, a special investigation has been made personally by the Superintendent of Police, Karachi and Tatta Districts, and the facts ascertained are as follows:

Some officers of the armoured division at Malir went out to a pig-sticking camp at Hira Bagh, about four miles from Fakir-jo-Goth, in Tatta Taluka. Captain Ingham of the Royal Deccan Horse, who had been detained at Malir, set out at about 9.30 P.M. on the 13th December 1941, to join his brother officers in camp. He was accompanied by three other ranks of his unit and each of these took it in turn to drive the motor truck in order to acquire experience of driving by night. Neither Captain Ingham nor the men who accompanied him had been to the site, where the camp was located, prior to December 13th.

The party arrived at Tatta between 1 A.M. and 2 A.M. on December 14th and took the road leading to the ferry. They appear to have turned down the road leading to Chach Soomarki, but missed the turning leading to Hira Bagh and appear to have driven straight on to the "bund" where they turned left. They proceeded along the "bund" for six or seven miles after which they concluded that they had lost their way and decided to return along the "bund". As they approached Fakir-jo-Goth, they heard dogs barking and Captain Ingham halted near the old P. W. D. hut in order to enquire the way to the camp.

Leaving one of the men in charge of the truck he and the remaining two men entered the village and approached the nearest house which happened to be that of Amoo, son of the village and who, it seems, mistook them for thieves or dacoits. They shouted to the inmates, who, it seems, mistook them for thieves or dacoits. One of the men was felled by a lathi blow on the head and it was fortunate that he was wearing an army "safa" which prevented him from suffering a severe injury. Captain Ingham struck out with his fist and punched Amoo in the jaw, dislocating two of his teeth. The second man seems to have fled in panic, while the first who was knocked down also beat a hasty retreat and rejoined his comrades. Captain Ingham struggled with his assailants and eventually tried to shake them off and seek assistance in the main part of the village, but he was pursued and overtaken. His captors beat him further and brought him back to a bush close to Amoo's house where they secured him with ropes. At this stage the villagers appear to have realised their mistake and found that their captive was a military officer. They consulted Pir Maluk Shah, a prominent villager, who advised them to set him at liberty and after some considerable hesitation Captain Ingham was taken in

the direction of the camp. Meanwhile, the three men had proceeded along the "bund" in the truck and had met some people about half a mile further on and had been shown the way to the camp. On arriving there, they reported the event of the night, so far as was within their knowledge to their officers, who immediately set out to rescue Captain Ingham. Seeing the headlights of the approaching vehicles Captain Ingham shouted to attract their attention, and two villagers, who claim to have been accompanying him, made themselves scarce. Captain Ingham was picked up by the rescue party and they all returned to the camp.

Captain Ingham and the three men who had set out with him from Malir then went to Tatta, where they arrived at about 7.30 A.M. and reported the incident to the Police.

Captain Harper of the Royal Decoan Horse, who was the senior military officer present in the camp, set out at the same time, with four other officers, seven orderlies, three syces and a "shikari" in two trucks for Pir-jo-Goth. On arrival there he told off three parties to place a cordon round the village. He then endeavoured to find some responsible person in the village in order to get a complete narrative of the happenings of the early hours of the morning. Thereafter, he conducted a house-to-house search in order to collect all the able-bodied men of the village. Captain Harper and Captain Hook did enter six or seven houses in order to ascertain if any men had concealed themselves. All the men of the village were collected in an open space in the village and shortly after this was completed, the Sub-Divisional Magistrate arrived and commenced enquiries. Captain Harper's sole object was to prevent any of Captain Ingham's assailants from escaping and there was no intention or attempt on his part or of any of the officers and men who were with him to beat or injure any villager in retaliation for what Captain Ingham had suffered. The villagers complained that their houses were broken open, that some of them, including an old woman, were roughly handled and that their pots and pans were broken by the intruders. A few broken earthen vessels and chatties were shown to the Superintendent of Police and an inventory was made. The total value of the damage is almost negligible. Under instructions from the Sub-Divisional Magistrate, the Police registered offences under sections 324 and 342, Indian Penal Code, on the information given by Captain Ingham. The police also registered an offence under section 325, Indian Penal Code, on the complaint of Amoo, and a further offence under sections 147/342/448 of the Indian Penal Code. The allegation that a woman was beaten is, according to the District Superintendent of Police, entirely unfounded.

The report of the Superintendent of Police is at present under the consideration of the Government of Sind with a view to decide the action to be taken.

It will be seen from what I have stated, that there is no basis whatsoever for the many alarming reports and grossly incorrect and misleading allegations to which currency has been given by certain sections of the press. As the matter has been the subject of police investigation and is at present under the consideration of the Sind Government, there are no grounds for the Central Government to take any action in the matter.

AFFRAY AT THE BRISTOL HOTEL, CALCUTTA.

30. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state the facts and circumstances relating to the incident in which an Indian lady was molested by some military soldiers near Bristol Hotel, in Calcutta, on or about the 25th December last, resulting in an unpleasant affray? What steps have been taken in this connection?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): A thorough investigation has been made both by the police and the military authorities into the alleged incident. There appears to have been an affray at about 7 P.M. on the 25th December opposite the arrival of the police the crowd was dispersed and ten persons were arrested but were subsequently discharged. Notices have been published in the daily newspapers requesting the guardians of the ladies said to be involved in this incident to get into touch with the local police for the purpose of a proper enquiry into the matter. So far no one has come forward and no trace of the lady or ladies or of their companions has been found.

THE HONOURABLE MR. M. N. DALAL: Are Government aware that a series of such charges of molestation have been made by Mrs. Malati Bedekar of Poona in the *Lokshakti* of 24th December, 1941?

THE HONOURABLE MR. A. DEC. WILLIAMS: I should require notice of that, Sir.

ASSAULT BY BRITISH SOLDIERS ON LABOURERS IN CAWNPORE CANTONMENT.

31. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is it a fact that sometime back a number of British soldiers in a drunken condition killed three persons and injured many others in Cawnpore? If so, what are the full facts of the occurrence? What steps have been taken to punish the culprits, to compensate the families of the victims, and to prevent a recurrence of such cases?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): Sometime after midnight of 2nd January, in Cawnpore Cantonment, three Indian labourers were killed and four injured, one of whom died subsequently. The police arrested six British soldiers, two of whom having established an alibi, have been released. The remaining four are under police custody and will take their trial in due course in the civil courts.

Adequate steps, including the removal from Cawnpore of the detachment to which the arrested men belong, have been taken to prevent a recurrence of such cases.

The question of compensation to the families of the deceased does not arise at present as the case is *subjudice*.

THE HONOURABLE MR. HOSSAIN IMAM: Is it a fact that cases of this nature have occurred in other cantonments and military stations too?

THE HONOURABLE MR. A. DEC. WILLIAMS: There have been reports of similar occurrences and recently orders have been issued from General Headquarters to all Commands to take all steps necessary to avoid a repetition of these occurrences.

THE HONOURABLE MR. HOSSAIN IMAM: Will the cost of defence of these four British soldiers be paid by the Defence Department?

THE HONOURABLE MR. A. DEC. WILLIAMS: I am afraid I do not know, Sir. I will find out if the Honourable Member is really anxious to have an answer to that question.

STATEMENT BY THE RAJA OF SARAWAK ON BRITISH MILITARY POLICY IN MALAYA.

32. THE HONOURABLE MR. M. N. DALAL: (a) Are Government aware of the Raja of Sarawak's statement on British Military Policy in Malaya, which, he says, lulled the people into a false sense of security?

(b) If so, what action have Government taken now to restore confidence in the people of the East, and allay fear, doubts and misgivings of the people of India?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: (a) There have been brief references in a few newspapers to a statement alleged to have been made by the Raja of Sarawak. Government have not seen the complete text.

(b) Government do not believe that the confidence of the people of India in ultimate victory has been shaken, and they try never to lose an opportunity of making clear the grounds on which this confidence can be firmly based.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask that questions Nos. 33 and 34 of Mr. Mohamed Husain be postponed to the next sitting?

THE HONOURABLE THE PRESIDENT: What is the reason for the postponement?

THE HONOURABLE MR. HOSSAIN IMAM: I am not prepared for them.

THE HONOURABLE THE PRESIDENT: I cannot allow that.

THE HONOURABLE MR. HOSSAIN IMAM: Then I will ask them, Sir.

RULES AND ORDERS APPLICABLE TO RIGHT OF APPEAL BY INCOME-TAX OFFICERS.

33. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: With reference to the directions contained in their Government of India, Home Department Office Memo. No. F. 9/9/35-Ests., dated the 30th April, 1935, will Government state whether all the rules and orders in existence on 26th May, 1930 and applicable to rights of appeals of Income-tax Officers are still so applicable? If not, when and by what orders were they cancelled, modified or withdrawn?

THE HONOURABLE MR. C. E. JONES: No. The directions contained in Government of India, Home Department Office Memorandum No. F. 9/9/35-Ests., dated the 30th April, 1935, do not apply to Income-tax Officers since they have not been wholly excluded from the scope of the Classification Rules. The orders referred to by the Honourable Member, however, were superseded by the relevant provisions of the Civil Services (C. C. A.) Rules which came into operation, so far as Income-tax Officers are concerned, on 6th April, 1932, the date on which these officers were included in a Class II Central Service.

THE HONOURABLE MR. HOSSAIN IMAM: Will the Honourable Member lay on the table those two notifications to which he referred?

THE HONOURABLE MR. C. E. JONES: I have no objection, Sir, if we find that they are not available to Honourable Members already.

RULES AND ORDERS APPLICABLE TO RIGHT OF APPEAL BY INCOME-TAX OFFICERS.

34. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: With reference to Civil Services (C. C. A.) rule 5 will Government state the various authorities so far as the gazetted officers of the Income-tax Department appointed by the United Provinces, Government in 1921 are concerned?

THE HONOURABLE MR. C. E. JONES: The only authority in relation to the permanent gazetted officers of the Income-tax Department though

they may have been originally appointed by the Government of the United Provinces in 1921 is the Central Government.

RULES AND ORDERS APPLICABLE TO RIGHT OF APPEAL BY INCOME-TAX OFFICERS.

35. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: With reference to the provisions of Civil Service (C. C. A.) rules 7, 8 and 9 and section 241 (3) of the Government of India Act, 1935, will Government state whether the gazetted officers of the Income-tax Department appointed in 1921 by the United Provinces Government have still right of appeal to that Government?

THE HONOURABLE MR. C. E. JONES: No.

RULES AND ORDERS APPLICABLE TO RIGHT OF APPEAL BY INCOME-TAX OFFICERS.

36. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: (a) Will Government state whether the Local Government has any concern with or control over matters affecting Deputy Collectors who are still serving in the Income-tax Department?

(b) Have such officers rights of appeal and representation to the Local Government? Does any difference exist between such Income-tax Officers and Income-tax Officers who were appointed as Assistant Income-tax Officers by the Local Government in 1921? If so, what are the reasons of such differentiation?

THE HONOURABLE MR. C. E. JONES: (a) and (b). A Provincial Government has no concern with or control over officers of the Income-tax Department, whether Income-tax Officers or Assistant Income-tax Officers, who formerly belonged to a Provincial Service prior to the centralization of the Department in 1922. Such officers have no rights of appeal or representation to the Provincial Government.

RULES REGULATING THE CONDUCT OF MEMBERS OF THE CENTRAL SERVICES, CLASS II.

37. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: With reference to Civil Services (C. C. A.) rule 42 will Government state the rules made by them for regulating the conduct of members of the Central Service, Class II, and where are such rules contained?

THE HONOURABLE MR. E. CONRAN-SMITH: The reference to Civil Services (Classification, Control and Appeal) rule 42, which applies to the appointment and conditions of service of specialist officers is not understood. The rules regulating the conduct of members of the Central Services, Class II, are contained in the Government Servants' Conduct Rules, a copy of which will be found in the Library of the House.

THE HONOURABLE MR. HOSSAIN IMAM: By which rule are they governed?

THE HONOURABLE MR. E. CONRAN-SMITH: The question referred to the rules regulating the conduct of members of a Central Service, Class II. My answer is that the rules regulating the conduct of members of that service are the Government Servants' Conduct Rules.

PROCEDURE FOR THE IMPOSITION OF PENALTIES ON GOVERNMENT SERVANTS.

38. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: With reference to Civil Services (C. C. A.) rule 49 will Government state whether the good and sufficient reasons and the facts on which they are based are duly communicated to the members of the services and opportunities for explanation are given to them before the imposition of efficiency bar? What rules of procedure are observed before the imposition of each kind of penalty?

THE HONOURABLE MR. E. CONRAN-SMITH: As a matter of practice but not of statutory right the reasons for the imposition of the penalty of stoppage at an efficiency bar generally are or have been communicated to the officer concerned and he is given or has had an opportunity of tendering his explanation before the punishment is awarded.

The procedure to be observed in the case of the penalties of reduction, removal and dismissal is that laid down in rule 55 of the Civil Services (Classification, Control and Appeal) Rules. No similar procedure is laid down in respect of the other penalties, but the Honourable Member's attention is invited to the reply given on the 2nd December, 1940, to his started question. No. 99.

DELEGATION OF POWER TO COMMISSIONERS OF INCOME-TAX TO IMPOSE PENALTIES ON INCOME-TAX OFFICERS.

39. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Will Government state the conditions prescribed by them under Civil Services (C. C. A.) rule 53 (C) in connection with the delegation of power to Income-tax Commissioners to impose the penalties specified in C. S. (C. C. A.) rule 49 upon Income-tax Officers specially the penalty of stoppage at an efficiency bar? Have they prescribed any rules [as contemplated in C. S. (C. C. A.) rule 54] for services other than subordinate services? What rules govern the procedure in penal action by Income-tax Commissioners specially stoppage at an efficiency bar?

THE HONOURABLE MR. C. E. JONES: The conditions subject to which the power to impose all the penalties mentioned in rule 49 of the Civil Services (Classification, Control and Appeal) Rules has been delegated to the Commissioners of Income-tax are those laid down in the Government of India, Home Department, Notification No. F. 9/2/33-Ests., dated the 9th January, 1934, published in the Gazette of India.

The Honourable Member's assumption in part 2 of the question that Classification, Control and Appeal rule 54 contemplates the prescription of rules for services other than subordinate services is incorrect. Such rules are not necessary, since the Classification Rules and the delegations made thereunder fully provide for matters in regard to which, in respect of the subordinate services, Classification rule 54 contemplates subsidiary rules.

The reply to the third part is that Classification rule 55 lays down the procedure to be followed by Income-tax Commissioners before an order of dismissal, removal or reduction is passed. It is not necessary, however, that this procedure should be followed in a case where it is proposed to stop an officer at an efficiency bar, though as a matter of practice but not of statutory right he is generally given an opportunity of tendering his explanation before the penalty is imposed.

THE HONOURABLE MR. HOSSAIN IMAM: Who is the competent authority to dismiss an Income-tax Officer?

THE HONOURABLE MR. C. E. JONES: Normally the Commissioner of Income-tax, Sir.

RIGHT OF APPEAL BY INCOME-TAX OFFICERS AGAINST ORDERS PASSED BY THE COMMISSIONERS OF INCOME-TAX.

40. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: With reference to Civil Services (C. C. A.) rule 58 (2) proviso, will Government state whether Income-tax Officers who had been appointed as Assistant Income-tax Officers by the United Provinces Government in 1921 have a right of appeal to that Government against orders passed by the Income-tax Commissioner, United Provinces?

THE HONOURABLE MR. C. E. JONES: No.

SUBMISSION BY COMMISSIONERS OF INCOME-TAX OF APPEALS WITHHELD BY THEM.

41. THE HONOURABLE HAJI SYED MOHAMED HUSAIN: Will Government state whether Income-tax Commissioners submit to them lists of appeals withheld by them under C. S. (C. C. A.) rule 67? Do Government examine such lists and the withheld appeals, etc., pass orders regarding their admissibility or inadmissibility and communicate the same to the appellants? Will they give details of the procedure in the matter?

THE HONOURABLE MR. C. E. JONES: Yes. The lists are scrutinised, the appeal and connected papers being called for in cases in which the validity of the order withholding the appeal is considered doubtful. Where the further examination of the appeal results in the modification or withdrawal of the Commissioner's order, the Government's decision is communicated to the appellant.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. G. S. BOZMAN (Secretary for Indians Overseas): Sir, I lay on the table a copy of the notification of the Government of India in the Department of Education, Health and Lands, No. F. 69/41-O. S., dated the 13th December, 1941, making certain amendments in the notification of the Government of India in the Department of Education, Health and Lands, No. F. 144-1/38-O. S. (C.), dated the 21st July, 1941, prohibiting the emigration of unskilled labourers from British India to Burma.

No. F. 69/41-O. S., dated the 13th December, 1941.—In exercise of the powers conferred by sub-section (1) of section 30A of the Indian Emigration Act, 1922 (VII of 1922), the Central Government is pleased to direct that the following amendment shall be made in the notification of the Government of India in the Department of Education, Health and Lands, No. F. 144-1/38-O. S. (C.), dated the 21st July, 1941, namely:—

In the said notification, for the words "by special order" the words "by general or special order" shall be substituted.

G. S. BOZMAN,

Secretary to the Government of India.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary): Sir, I lay on the table the information promised in reply to question No. 43 asked by the Honourable Rai Bahadur Sri Narain Mahtha on the 11th November, 1941

The yield per acre of sugarcane (in tons) was as follows :—

Year.	Madras.	Bombay (including States).	United Provinces (including States).	Bihar (including Orissa upto 1934-35).	All-India.
1930-31	27.77	26.34	10.59	10.31	11.50
1931-32	27.26	25.66	13.97	10.39	13.36
1932-33	27.62	26.19	14.57	10.37	14.12
1933-34	27.03	26.21	14.82	14.91	14.73
1934-35	26.31	23.33	14.93	15.12	14.69
1935-36	27.65	25.90	14.83	14.21	14.70
1936-37	27.79	24.31	15.12	10.72	14.62
1937-38	28.47	24.50	14.37	10.63	13.36
1938-39	27.96	24.04	8.20	9.84	10.23
1939-40	27.12	25.27	11.37	10.43	12.81
1940-41	29.75	25.00	11.28	10.18	12.54

(1) In the absence of accurate figures, which can only be obtained from the results of crop cutting experiments, the figures given above have been calculated on the assumption that 1 maund of gur represents 10 maunds of sugarcane. Any conclusions arising out of these figures have therefore to be treated with reserve.

(2) The increase in yield cannot be attributed exclusively to the introduction of improved varieties of cane as other factors, such as methods of cultivation, manuring, irrigation and measures for combating diseases and pests, also affect the yield. Information as to the extent to which each factor has contributed to the improvement in yield is not available.

(3) The decreases in the yields per acre during 1937-38 and 1938-39 were due to heavy damage by droughts, floods, frost and insects, and the failure to effect complete recovery in subsequent years is in part to be attributed to the crops having been raised from setts obtained from the disease-affected crops of the previous seasons.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the Bill further to amend the Indian Penal Code which was passed by the Legislative Assembly at its meeting held on the 18th February, 1942.

DISCUSSION OF THE WAR SITUATION IN SECRET SESSION.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Sir, I understand that there is a strong feeling in this House for the holding of a secret meeting of the Council to discuss the present war situation

(70)

with greater freedom than would otherwise be possible. I therefore take this opportunity to assure the Honourable Members that should you, Sir, be prepared to exercise your power under Standing Order 35 to order the clearing of the Galleries during the discussion of a formal Motion for the consideration of the war situation, and also to direct under Standing Order 72 that no report of the proceedings on that Motion should be prepared or published, I propose to table such Motion for discussion on a convenient day.

THE HONOURABLE THE PRESIDENT: I shall give my orders on the day when the Motion is made. I will suspend both Standing Orders 35 and 72 on that day.

THE HONOURABLE MR. P. N. SAPRU: What is the date the Honourable the Leader has in mind?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: The date has not been fixed. We shall have to fix it in consultation with the Honourable the President and I must also consult the Defence Member, who is mainly concerned. But now that the Honourable the President has given his consent to the holding of the meeting I shall get on with the details. I understand that the House wants it held as quickly as possible and I shall bear that in mind.

THE HONOURABLE MR. HOSSAIN IMAM: After the Holi.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: When is the Holi?

THE HONOURABLE MR. P. N. SAPRU: We do not know. We should be prepared to sit on the Holi if necessary.

STANDING COMMITTEE ON EMIGRATION.

THE HONOURABLE MR. G. S. BOZMAN (Secretary, Indians Overseas): Sir, I beg to move :—

“ That this Council do proceed to elect, in such manner as the Honourable the President may direct, four non-official members to serve on the Standing Committee on Emigration during 1942-43.”

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. President, I should like to take this opportunity of referring to some of the questions which affect Indians in Malaya and Burma. I shall first refer to the effect of the present war on the position of Indians in Burma. As the Honourable Mr. Bozman knows, owing to the state of things prevailing in Burma Indians find themselves compelled to return to their country. I understand that about 40,000 Indians have already come back from Burma. Most of them have returned by sea, but as Japanese submarines and warships are operating in the Bay of Bengal I am afraid that the sea route will soon be completely closed. It is necessary therefore that Government should develop an alternative route in order to enable such Indians as wish to come back to India to do so. My information is that the route through Assam is being surveyed, but I refer to this matter today because it is necessary that the question should be regarded as urgent and that all possible steps should be taken without any avoidable delay to provide Indians who wish to return to India with a safe route. I hope that the Honourable Mr. Bozman will be able to assure us that Government are alive to the importance of this question and have already adopted such measures as are necessary to open up the route that I have referred to as quickly as possible.

[Pandit Hirday Nath Kunzru.]

I have already stated that about 40,000 Indians have returned to this country from Burma. Most of them landed probably in Calcutta or Madras. Now I have received complaints from Madras that the committee concerned with the reception of the evacuees is not informed beforehand of their arrival and is therefore not able in all cases to make adequate arrangements for their reception. We all know that it would be unsafe if Government published information relating to the sailings and arrivals of ships. But perhaps it will be possible for them to send information confidentially with regard to the arrival of a boat to the Governors of the provinces concerned and ask him to let the Chairmen of the Committees concerned, who are probably the Mayors of their Corporations, know, say, a day beforehand, of the arrival of the evacuees. I hope that there will be no difficulty in carrying out this suggestion as the Mayors may be trusted to keep the information given to them by the Governors secret.

Another point to which I should like to direct the attention of the Government is the need for strengthening the staff of the Protector of Emigrants. He is at present supplied with clerks belonging to different departments as the need for their help arises. The result is that there is no permanent trained staff at the disposal of the Protector of Emigrants. It has been suggested to me that it would be better if in place of the present system Government deputed a certain number of clerks permanently to the office of the Protector of Emigrants. When I say permanently I mean for as long as their services might be needed by the Protector of Emigrants. They will then know what their duties are and perhaps be able to despatch their business more quickly than clerks that are new to the work. Apart from this, the position of the Protector of Emigrants himself should be strengthened. I understand that he has to make many references to superior officers before he can incur expenditure or deal with urgent cases. For instance, he is unable to pay the cart hire for transporting the luggage of the evacuees without reference to the Local Government. If the information that I have received is correct, the situation requires an immediate remedy. This is no time for red tape delay, the procedure should be simple and should enable the Protector to take action when required as speedily as possible. The expenditure involved can not be very large; but even if it is, it must be small in comparison with the assistance that Government are giving to evacuees in respect of the supply of food after their arrival and the purchase of railway tickets.

I trust that this matter will be attended to without delay so that the evacuees may be put to as little inconvenience as possible.

I have spoken so far, Sir, of the arrangements made for the reception of the evacuees but even when all the points that I have mentioned have been dealt with there will remain a much bigger problem to be considered both by Government and the people. The Indians who return from Burma, whether of the labouring classes or not, will require a great deal of sympathy, encouragement and help in this country. Many of them may be unable to start life afresh unless they receive some help from Government in the matter of colonization or rehabilitation in any other way.

THE HONOURABLE THE PRESIDENT: Honourable Members, don't you think it is advisable to put off this bigger question for some other occasion when you can bring in a Resolution or anything you like. It is not customary on

Motions for election to refer to other matters though I have allowed you to do so as a special case. I think, however, that these are matters which can be brought in later either by a Resolution or anything like that open to you.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I have ventured to deal with these things because full latitude was given for their discussion in the other House owing to their urgency. I know it is not customary either in this House or in the other to deal with important questions on a Motion like this. I think however that we are living in rather exceptional times and problems relating to Indians without our borders who come back to India have to be dealt with without delay. I trust, therefore, Sir, that you will show a little more indulgence.

THE HONOURABLE THE PRESIDENT: I will show you indulgence but—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Sir, I have been as brief as I could be considering the urgent matters to which I have had to draw the attention of Government. These are questions that are exercising the public mind and I have heard from more than one person asking me to bring them to the notice of the Government with as little delay as possible.

I am not suggesting any particular measures for the colonization of the people who return or for their rehabilitation. It will in the first instance be the duty of the Provincial Governments to look after the people who have come back from Burma and Malaya or who may in future come back from Burma, but if the Central Government take up the matter and just draw the attention of the Provincial Governments to this important question perhaps it will receive more attention than it would otherwise do.

Lastly, Sir, I should like to refer to the case of the dependants of Indians in Malaya or in the Japanese-occupied parts of Burma. Some of these dependants are students at the various Universities. I know some Indian young men who have come for their education from Malaya and Burma. Their guardians are unable to come back and they are therefore in an extremely difficult position. This is a matter which requires immediate attention. Some of them may be able to get help from their relatives or friends here but others who find themselves in this country in completely new surroundings may be unable to secure the means for carrying on their education. I hope that their cases will be looked into by Government and treated sympathetically. As I have already said, our countrymen who have suffered heavily in Burma and Malaya deserve our sympathy and support in the fullest measure and I have no doubt that the Government of India will do their utmost to alleviate their troubles in this country and to make their position and the position of their dependants as easy as it can be made in the circumstances.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras: Muhammadan): I just want to bring something to the notice of the House. With your permission, Sir, I will just mention one or two things.

In addition to what my Honourable friend Dr. Kunzru has said I should like to bring to the notice of the House that not only are the Reception Committees not informed of the exact time and date of the arrival of these evacuees but also they are not informed even of the exact number. About twenty or twenty-five days ago when some of these evacuees returned to Madras we were told that about 300 persons were expected to land in Madras, but actually more than 3,000 people came there. You can imagine how difficult it was for

[Saiyed Mohamed Padshah Sahib Bahadur.]

the Reception Committee to make all the necessary arrangements for the comforts of those people. It is necessary, it is really essential that correct information should be given at least to the Mayor, who is the Chairman of the Reception Committee, so that all the necessary arrangements for the reception of these people might be made at the ports at which they arrive. Another thing, Sir, as Dr. Kunzru has just said, is that Government should take steps to see that the land route, which happens to be in Assam, is developed at once so that it is available for the use of the people who have got to come from Burma. It is no time for all the formalities of red-tapism to be gone through and every possible means should be adopted to see that this route is made available for the people who want to use it.

THE HONOURABLE SIR MUHAMMAD YAKUB (Nominated Non-Official) :
And for the enemy.

*THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : May I just say a few words, Sir ? I have met some evacuees who have come back from Burma and they tell me that there is great insecurity of person and property and that Government there has not been helping them to the extent that it should so far as their person and property is concerned. They have complained to me bitterly as regards the attitude of the Burmese Government towards the Indians. Particularly on days on which the air raid occurred they felt that enough protection had not been provided for them. Therefore, I hope, Sir, that the Government of India will do something for the protection of the person and property of such Indians as cannot leave Burma. I understand, Sir, that so far as our Agent is concerned he has acquitted himself well ; that is what some of the evacuees who have returned from Burma have told me.

Another question, Sir, that I should like to ask is this : Malaya has for the time being been over-run by Japan. Part of Burma too has been over-run by Japan and Hong Kong has been over-run. Under whose charge are Malaya and Burma now ? Are they under the charge of the Honourable Mr. Aney, who is the Indians Overseas Member or are they under the charge of the External Affairs Department ? I hope, Sir, that the Honourable Mr. Bozman will enlighten us on this point also.

*THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Sir, may I ask one question ? I have also a grievance to ventilate. I understand that even the ticket charges which are given to these evacuees are not given free by the Government. They are only an advance to be recovered from the evacuees when they reach home. Is that the treatment which a mother country should mete out to her people who have come into such difficulties ? We have heard an ugly rumour regarding discrimination meted out to our Indians in Malaya in the matter of evacuation. There was racial discrimination of the worst kind, and neither money nor position could win the Indian a place in evacuation, and only white skin could get it. In Burma too there are rumours that this sort of thing is happening, though on a restricted scale. Things like this ought not to happen in this year of grace 1942, but we are in such a pass. I hope that Government will assure us that everything possible is being done. We may forget the past but the future must be better than the past.

* Not corrected by the Honourable Member.

THE HONOURABLE MR. G. S. BOZMAN : Sir, the House will I believe have welcomed the opportunity afforded to them to have an outline of what has been happening with regard to Indians in the countries occupied by Japan. It is a matter which has raised a great deal of public interest and I am very grateful to the Honourable Pandit Kunzru for the terms in which he spoke. There are one or two small points of fact which I would place before the House before dealing with the actual suggestion that has been made. To begin with, the figures which were given the other day in another place with regard to Indian evacuees from Burma were, of course, only approximate, and since these figures were given, we have reason to believe that not less than 65,000 Indians have now left Burma. As the Honourable Pandit Kunzru pointed out, in the first stages of evacuation, the main route was by sea. Now the land route is becoming the main route, and that brings me on to the point which he himself raised, namely, the development of the land routes. There are two main land routes, one comes out through Chittagong in Bengal and the other through Manipur in Assam. The land route to Chittagong is partly by land and partly by sea. That is to say, when the refugees have crossed the hills to the west coast of Burma, some of them can come up by boat and some can make their way by foot. The route to Assam is, of course, entirely by land except that the rivers can be used for considerable distances up into the north of Burma. Both these routes, about which there has been a good deal of discussion in the Press, are fully open to the use of all evacuees ; that is to say, no restriction is placed upon their use by the Burma Government or by the Government of India. The fact, however, is that the routes are such that there are bound to be difficulties. The distance between Sandoway and Akyab is not easy to cross. Similarly there is a difficult piece of country to cross just inside the border of Manipur. Over both these routes officers have been deputed by the Government of Burma and in the case of Manipur also by the Government of India to make such arrangements as are possible. I should like to state very briefly the sort of arrangements we have in mind for the assistance of refugees along the routes. What they need mostly is shelter at convenient stages. They need foodstuffs collected where the shelter is provided and arrangements for water. They need temporary arrangements for sanitary purposes at these particular centres and they need medical arrangements to be made easily available. These are the main points which we are trying to provide along the routes upon which we can expect the refugees to come. It will be appreciated that particularly in the sort of country through which the routes pass, we must have men with local knowledge who can decide where the camps can best be sited, where to collect the food that is required for the camps and so on. But these arrangements are not pious hopes on our part. These arrangements are now being put into train mainly through the assistance of the Provincial Governments.

Then comes the question of the reception of these unhappy people when they arrive in India. I have listened with a good deal of interest to what the Honourable Pandit Kunzru had to say about the reception arrangements in Madras. As I think the House knows, we deputed an officer very recently to visit Madras Calcutta and Chittagong to examine what arrangements had been made. He himself was present at Madras when an unexpectedly large number of refugees arrived in the course of one day. I think it was possibly the number to which the Honourable Mr. Padshah referred. The report our officer gave was that so far as the committees in Madras were concerned and so far as Government arrangements were concerned, every possible effort was made to give assistance to these people, but under the strain of a very large influx, the arrangements were not as fully effective as it was

[Mr. G. S. Bozman.]

hoped they would be. In Calcutta a similar Committee has been formed and excellent arrangements are made for the supply of free food on arrival and for the assistance of refugees in temporary shelters. The large committee has resolved itself into a number of small committees according to community. The Marwari community have a sub-committee there, which has done excellent work. The Anglo-Indian community have a sub-committee, the Gujarati community have a sub-committee, and so on. In Chittagong the arrangements are rather more difficult for various reasons which I need not go into now, and we ourselves are in process of making special arrangements of our own to assist the Government of Bengal at Chittagong.

Now I should like to go one by one over the particular points that have been made, because I think the House is entitled to know what our view is and what we are doing. The first point made was the question of giving information as to the arrival of ships. I happen to have a certain amount of experience because I have been dealing also with the Haj, and I can assure Honourable Members that there is no disinclination on our part to inform all those concerned as soon as they can be informed that a ship is going to arrive. But the fact remains that nobody knows when a ship is going to arrive. The best that we can do is to inform them, in strict confidence, of course, of the date when a ship has left, and that has been our object throughout. There have been one or two cases in which a telegram has been delayed. There have been one or two cases in which the numbers, as my Honourable friend Mr. Padshah observed, have been wrongly predicted. But those were, I believe, only mistakes. We are informed, when a ship has left—whatever the port it sails from—of the numbers on board—the number of deck passengers, the number of cabin passengers and so on—and this is the information that we pass on and it is left then to the Provincial Government or the other authorities concerned, in conjunction with the naval authorities, to make the shrewdest guess they possibly can as to when that ship is likely to arrive. But I can say this, that there are times when the naval authorities themselves are not aware that a ship is going to arrive until she appears on the horizon.

Then Pandit Kunzru spoke about the strengthening of the Protector of Emigrants' staff and also of giving the Protector greater financial powers. So far as the staff is concerned, I am quite sure that the Provincial Governments will have no reluctance whatever in giving the Protector such staff as he requires to deal with the refugees who arrive, and I cannot see the slightest required from the Protector of Emigrants. Those are matters which will of course be considered very carefully by ourselves, but I see no reason why any difficulty should be experienced on that account; nor is it our intention—and I am sure it is not the intention of the Provincial Governments—that any obstruction should be put in the way of these people when they arrive. The main object when they arrive is to disperse them as rapidly as possible because their main desire is to get home.

Pandit Kunzru also spoke of the problem of finding means of employment and subsistence for these people when they get back to India. He himself pointed out that this is largely a matter for Provincial Governments, but I can assure him that it is an aspect of this problem which has not escaped the Government of India and it is one in which we are in full sympathy with the feelings he has expressed, that these people will need attention, care and some provision for their future livelihood.

He spoke also of dependants in India of Indians who are in occupied territories. That is a matter which we have already taken up—whether the Provincial Governments or the Central Government will deal with it I am not in a position to say—but I have no doubt that arrangements will be made to provide maintenance for these people where no other funds can be found.

My friend Mr. Sapru spoke of the insecurity of Indian life and property in Burma. A number of reports have come in from Burma of what has happened to Indians there. It would not be correct on my part to confirm or deny those reports. Many of them are of a vague and indefinite nature. That there have been cases of looting and of violence I have little doubt. That there have been equally cases of hospitality and courtesy I have little doubt, and I think it would not be fair at this stage to level any general charge to the effect that these unfortunate people are being maltreated before they leave Burma. As for those who stay in Burma, the Burma Government are making every possible arrangement they can for protection. But everybody will admit, I think, that in modern warfare protection is not an easy matter for large numbers of people. Shelters and so on are provided in the towns. Labourers are taken away from vulnerable areas after their day's work in free transport and provided with shelter outside those areas, being taken back in free transport the following morning. My point is that we have no reason to believe that the Burma Government are either not doing their best to provide shelter or are showing any discrimination in the provision of shelter.

I must also refer to Malaya. One or two Honourable Members have spoken about Malaya. I had hoped to be able to give figures this morning of the number of Indian evacuees who had reached India from Malaya. I regret to say I am unable to do so. We have made inquiries from Provincial Governments and from the ports where these people arrive, but all replies have not yet been received and I think it would be misleading to give figures now which might prove to be incorrect at a later date. I know that only the other day, I think yesterday, a certain number arrived. I have not got the figures as to how many are Indians, how many Chinese and so on. But a charge was made that in Malaya in particular there had been grave racial discrimination and that something of the same sort was possibly happening in Burma. It is not my duty to defend the Malayan Government or any other Government, but I would only say this, that I think it would be wiser to reserve our opinion until we have been able to establish what the facts are. I should like to point this out also, that some of the information that has come to us with regard to happenings in Malaya comes from sources which are definitely tainted. We know that the Penang radio has been broadcasting under Japanese hands; we know that Singapore will be broadcasting under Japanese hands, and I for one am not prepared to take for gospel any information which comes through those routes. I would prefer to treat them with the greatest care and reserve. I am not at this stage able to confirm or deny the charge that the administration in some places broke down.

I was asked whether Malaya and occupied Burma came under the charge of the Honourable Member in charge of this Department or under the External Affairs Department. The answer is they come unfortunately under the Japanese Government and hitherto no neutral Power has been agreed upon for those areas as has been the case in certain other areas occupied by the Japanese. I mention this because I should like to state here very briefly what has been done with regard to obtaining information about the welfare of the Indian community in general and individuals in particular in the areas occupied

[Mr. G. S. Bozman.]

by the Japanese. For Japan itself, where there are so far as we know at the moment 54 Indians, the Argentine is the protecting Power; for occupied China, Indo-China and Thailand, Switzerland is the protecting power. I believe, though I shall have to verify this, that Switzerland is also the protecting power for the Philippines. Now, we have received a number of individual inquiries as to the welfare of Indians who are in those areas. All inquiries with regard to Indians in any territories occupied by Japan, other than Malaya and occupied Burma, have already been forwarded to Geneva by the courtesy and generosity of the Indian Red Cross. The reason why inquiries with regard to Malaya and occupied Burma have not been forwarded is simply that there is no means of communication at present. But this Department, working hand in hand with the Red Cross, has lists ready of all these inquiries and as soon as any channel of communication is found these inquiries also will be forwarded.

I should like to say one thing in conclusion. I should wish to assure this House that it is the determination of this Department and of the Government of India to take every measure they can possibly take to assist the unhappy people who have come away from countries where they have lived, to ease their lot and to see that on arrival in India they feel they are coming to a home which is welcoming them.

THE HONOURABLE THE PRESIDENT: Motion moved:—

"That this Council do proceed to elect, in such manner as the Honourable the President may direct, four non-official members to serve on the Standing Committee on Emigration during 1942-43."

Question put and Motion adopted.

THE HONOURABLE THE PRESIDENT: With reference to the Motion which has just been adopted by the Council, I have to announce that nominations to the Committee will be received by the Secretary up to 11 A.M. on Thursday, the 26th February, 1942 and the date of election, if necessary, will be announced later.

WORKMEN'S COMPENSATION (AMENDMENT) BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move:—

"That the Bill further to amend the Workmen's Compensation Act, 1923, as passed by the Legislative Assembly, be taken into consideration."

This Bill, Sir, does not bring any new subject before the House. It deals with the regularisation of a position created by the war in respect of compensation for injury or loss of life to Indian seamen, the object being to replace the responsibility of shipowners under the Workmen's Compensation Act by the responsibility of the State for the payment of compensation on a more generous scale in the case of war injuries. As Honourable Members will see from reference to the Bill several compensation schemes are mentioned. Of these all but one represent compensation schemes made by His Majesty's Government and applied to the larger number of Indian seamen who are employed on ships of British registry. It remained for us, Sir, to introduce our own compensation scheme for Indian seamen employed on ships of Indian registry and that has now been done and it is mainly in consequence of that last action that it has been found necessary to introduce the present Bill.

WORKMEN'S COMPENSATION (AMENDMENT) BILL

79

As I have said, Sir, this matter has been before the House before. In September, 1939 the Workmen's Compensation Act was amended by Act No. XLII of 1939 so as to deal with compensation payable under the British Government schemes relating to British ships. Again on March the 12th of this year the Council of State approved of a Resolution which was the foundation for the drawing up of our own scheme for compensation of Indian seamen employed on Indian vessels. In these circumstances, Sir, I do not think that the House will require any details from me on the present occasion.

Sir, I move.

The Motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move:—

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, as passed by the Legislative Assembly, be taken into consideration."

I am sure that the House will not feel that I am treating it with insufficient respect if I am even briefer than on the Bill which has just been passed, because this Bill may be regarded as the counterpart of the other one. This Bill deals with compensation for loss of effects to seamen; the other Bill dealt with compensation for injury or loss of life.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INDUS VESSELS (AMENDMENT) BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move:—

"That the Bill further to amend the Indus Vessels Act, 1863, as passed by the Legislative Assembly, be taken into consideration."

[Sir Alan Lloyd.]

Honourable Members will no doubt have read the Statement of Objects and Reasons and they will have understood from that statement without further explanation from me that this Bill merely proposes to cut out a piece of dead wood from the legislation. Local authorities have been pressing for removal of this useless element in the Indus Vessels Act for several years, but owing to the way in which the Act was passed, an Order in Council was passed in pursuance of the Government of India Act, 1935, making it necessary for the legislation to be central and not provincial. We wish, Sir, to comply with the wishes of the Government of Sind in this matter and it is with that object that the present Bill has been prepared.

Sir, I move.

The Motion was adopted.

Clauses 2, 3 and 4 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

“That the Bill, as passed by the Legislative Assembly, be passed.”

The Motion was adopted.

INDIAN MEDICAL COUNCIL (AMENDMENT) BILL.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary): Sir, I move:—

“That the Bill further to amend the Indian Medical Council Act, 1933, as passed by the Legislative Assembly, be taken into consideration.”

In amplification of what has been set out in the Statement of Objects and Reasons, I have only to say this. One of the most important functions of the Medical Council is to provide for the inspection of the conduct and sufficiency of examinations held in the medical institutions of the country. Under section 16 of the Indian Medical Council Act it is the Executive Committee of the Council which appoints Inspectors for this purpose and the Inspectors are of course paid for their work and they report to the Executive Committee in the first instance. The Council has represented to Government that it would be advantageous if it could occasionally have the benefit of the advice of members of its own body on the conduct of these examinations. It is doubtful whether under the Act as it exists already the Council itself could appoint members of its own body as Inspectors, and even if this point were free from doubt, it would probably not be altogether seemly that the Executive Committee of the Council should appoint members of the parent body to hold the paid post of Inspector. In suggesting that they should be given power to appoint visitors who would work in an honorary capacity, the Council have in view the possibility of deputing members of their own body to watch the conduct of these examinations and to report directly to the President. In a matter of this kind, Honourable Members will, I am sure, agree that we should give the Medical Council the power which they, after some years of working of the present Act, regard as necessary for the implementing of their very important responsibilities. I commend the measure, Sir, to the House. I move for consideration.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): While, Sir, I have no objection to the Bill I should like the Honourable Mr. Tyson to explain what the relation between the visitors and the Inspectors will be. As far as I have been able to understand him, the position would seem to be this: the visitors would be appointed by the General Council and they would be honorary; Inspectors are paid servants appointed by the Executive Committee. Am I right?

THE HONOURABLE MR. J. D. TYSON: Yes, Sir. The Honourable Member is correct. The Inspectors are *ad hoc* Inspectors. They are appointed for the inspection of a particular examination of a particular institution. They are paid for that particular work. There is no cadre of Inspectors; they are paid for the work for which they are appointed from time to time.

THE HONOURABLE MR. P. N. SAPRU: So that perhaps the object is to enlist the co-operation of the other elements not represented by the visitors so far as medical institutions are concerned. The object is probably to see that the Medical Council has some direct touch with the medical institutions through visitors appointed by itself, and I should like the Honourable Mr. Tyson to enlighten us a little as to the relation that will exist between visitors and Inspectors. I have no objection to the Bill and that is all I should like to know.

THE HONOURABLE MR. J. D. TYSON: In reply, Sir, to the Honourable Mr. Sapru's question, I think I should explain that what sometimes happens is this. The Executive Committee appoints Inspectors; Inspectors go and watch the conduct of examinations; their reports are considered by the Executive Committee, of which of course they, the Inspectors, are not members; and subsequently their reports and the recommendations of the Executive Committee thereon are considered by the Council itself. The Council has had the feeling, sometimes, that it would be advantageous to them if, in connection with certain points that have arisen, they could hold matters over for further inquiry. They want to be able to send one of their own members down to see for himself and come back and report to the Chairman of the Council direct, to help to clear up points that may have been raised in the reports of the Inspectors. Naturally the institutions themselves do not always like the reports of the Inspectors and the Council have felt that if they could only send one of their own members down, somebody in whose judgment for that particular subject they have complete faith, it might throw some light on the position and help them to a decision. That I understand is the principal reason why they have asked for this power. It is a power which is possessed by the analogous body in the United Kingdom.

THE HONOURABLE THE PRESIDENT: Motion moved:—

“That the Bill further to amend the Indian Medical Council Act, 1933, as passed by the Legislative Assembly, be taken into consideration.”

Question put and Motion adopted.

Clauses 2, 3 and 4 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. J. D. TYSON: Sir, I move:—

“That the Bill, as passed by the Legislative Assembly, be passed.”

The Motion was adopted.

INDIAN BOILERS (AMENDMENT) BILL.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Labour Member) :
Sir, I beg to move :—

“ That the Bill further to amend the Indian Boilers Act, 1923, as passed by the Legislative Assembly, be taken into consideration.”

Sir, the object of this Bill is to exempt from the Boilers Act the disinfectors and sterilizers under 20 gallons capacity which are ordinarily used in hospitals.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Sir, I move :—

“ That the Bill, as passed by the Legislative Assembly, be passed.”

The Motion was adopted.

MULTI-UNIT CO-OPERATIVE SOCIETIES BILL.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary) : Sir, I beg to move :—

“ That the Bill to provide for the incorporation, regulation and winding up of Co-operative Societies with objects not confined to one Province, as passed by the Legislative Assembly, be taken into consideration.”

The purpose of this measure has been fully set out in the Statement of Objects and Reasons and I have very little to add by way of further explanation. As Honourable Members of this House are well aware, Co-operative Societies figure in the Provincial Legislative List II, item 33, of the Government of India Act ; but there have been for a long time in existence a number of Societies which serve the interests of members who are not in the Province in which their Society is registered. There are circumstances, particularly in connection with the all-India or at any rate multi-Province services like the Posts and Telegraphs and Railways, in which it is both fitting, and, I venture to think, inevitable, that Co-operative Societies should exist to serve, through one Society, people living in different Provinces but bound together by the common interest of all being telegraphists or postal employees or something of the kind. Such Societies, however, Societies with activities in more than one Province, are “ corporations ” within the meaning of Entry 33 in List I of the Seventh Schedule of the Act, that is to say they are corporations with objects not confined to one unit of the Federation, and the legislative and executive jurisdiction in respect of their incorporation, regulation and winding up vests exclusively in the Central Government. It follows that any of any provincial Co-operative Societies Act, 1912,—that is our Central Act,—or 1920, which may purport to vest legislative or executive jurisdiction in respect of any such multi-unit Society in a Provincial Government, can have no valid basis.

We have realised that this was the position for quite a long time and we referred the matter to the Conference of Registrars of Co-operative Societies in December, 1939. They referred it to a sub-committee presided over by a distinguished Member of this House whose authority on matters of co-operative societies, I think, we would all admit—the Honourable Mr. Ramadas Pantulu. Diwan Bahadur M. C. Gandhi, who is the President of the Bombay Co-operative Insurance Society, was a member and there were three Registrars of Provinces on it. That sub-committee unanimously recommended that legislation should be undertaken by the Central Government to validate the position of the existing societies and to make provision for the registration, regulation and winding up of any societies of the kind which might be formed in the future. The Bill follows the lines of the recommendations of that Committee. It is very largely a validating measure and in the machinery we seek to set up we try to upset existing arrangements as little as possible. The desirability of Central legislation on the lines laid down has been accepted in all essentials by all the Provinces and I hope, therefore, that Honourable Members will accept the necessity of this measure and give it their approval.

I move, Sir.

The Motion was adopted.

Clauses 2 to 6 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. J. D. TYSON : Sir, I move :—

“ That the Bill, as passed by the Legislative Assembly, be passed.”

The Motion was adopted.

COFFEE MARKET EXPANSION BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary) : Sir,
I move :—

“ That the Bill to continue the provision made under Ordinance No. XIII of 1940 for assistance to the coffee industry by regulating the export of coffee from and the sale of coffee in British India and by other means, as passed by the Legislative Assembly, be taken into consideration.”

Sir, the object of this Bill is to continue the life of legislation which has already been in existence for some time in the form of an Ordinance, the object being to help the coffee industry in the situation caused by the collapse of export markets after Germany had over-run the countries of Western Europe. This is not an industry in regard to which any short-term policy in the way of restricting production and going in for alternative crops is possible. The nature of the coffee plant is such that nothing of the sort can be done. It was, therefore, felt necessary to make arrangements under which the coffee available for internal consumption in India should be limited to the actual requirements in order to prevent a complete collapse of prices and the surplus production should be kept in a separate pool out of which exports to the extent that they remain would be made and the balance would be taken out of the markets. The industry was unanimously in favour of this proposal and the result was the Government Ordinance of December, 1940, with three amendments, one made in February, 1941, one in August, 1941 and one in

[Sir Alan Lloyd.]

December, 1941. It may be asked why after having gone on so long with the system of Ordinances, Government has now introduced legislation. The reason for this is that the Honourable the Commerce Member had, at one stage in the course of discussion in the Assembly, promised that the matter would be brought before the two Houses of the Legislature in the regular way and explained that the reason for proceeding by Ordinance in the earlier stages was due to the accident of dates. The date when action had to be taken in order to cover the particular crop season and the date when action became possible as the result of conferences with the industry—these dates fell outside the range when legislation in the regular way was possible. I wish to dispel, Sir, any suggestion that the object of finding a substitute for the Ordinance by a regular Act is to make this legislation a more permanent feature of the law than was originally contemplated. Some of the coffee interests, quite rightly, I believe, have made a point of that; they do not wish to be committed to Government control over their industry in peace time. It will be seen that the point is met by the inclusion in the Bill of clause 1 (3) which says that the Act shall cease to be in force at the end of the twelve months commencing on the 1st day of July subsequent to the termination of the present hostilities.

Sir, I move.

The Motion was adopted.

Clauses 2 to 50 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

“That the Bill, as passed by the Legislative Assembly, be passed.”

The Motion was adopted.

The Council then adjourned till Eleven of the Clock on Tuesday, the 24th February, 1942.

COUNCIL OF STATE.

Tuesday, 24th February, 1941.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

ESTABLISHMENT OF A BROADCASTING STATION, PATNA.

42. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: What is the amount of money sanctioned by the Government of India for the purchase of land for the construction of the Radio Station in Bihar? And what is the approximate amount, recurring and non-recurring, over the construction of buildings, and the maintenance of the Radio Station? When is the Radio Station likely to be in operation?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: A statement giving the information required in the first two parts of the question is laid on the table of the House. As regards the last part, the Patna Station of All-India Radio is expected to start operation at about the end of the current calendar year.

THE HONOURABLE MR. HOSSAIN IMAM: Has all the machinery been bought?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: Yes, the machinery has been purchased. It is a question of its arriving here.

Statement showing the amount sanctioned or expected to be incurred on certain works, etc., in connection with the establishment of a Broadcasting Station at Patna.

	Rs.
1. Amount sanctioned for the purchase of land	12,432
2. Approximate expenditure for the construction of buildings—	
(i) Non-recurring. (Construction of transmitter and receiving centre buildings.)	41,945
(ii) Recurring. (Renting of studio building and rates and taxes)	8,000
	per annum.
3. Approximate expenditure for the maintenance of the Station	1,56,200
	per annum.

USE OF TEAR SMOKE IN DELHI.

43. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state the circumstances which resulted in the use of tear gas by the authorities in dealing with a religious gathering of the Sikhs in Gandhi Grounds, Delhi, in November last?

THE HONOURABLE MR. E. CONRAN-SMITH: The Honourable Member will realise that it is impossible within the scope of a reply to a question for

Note.—Questions against the Hon. Raja Yuveraj Dutta Singh were put by the Hon. Mr. V. V. Kalikar.

me to give a detailed account of the events which led up to the use of tear smoke in Delhi in November last. Briefly, the facts are that, owing to the increasingly obstreperous conduct of the processionists for several years past, as a result of which communal clashes were on several occasions most narrowly averted, it was found necessary in 1940 to lay down specific timings in the licence issued for the annual Sikh procession in commemoration of Guru Tegh Bahadur. As a result of this precaution, the 1940 procession passed off peacefully. When application for a licence was made last November, the licence was issued in exactly the same form as that previously accepted by the Gurdwara Committee. The Committee, however, refused to accept the licence. Attempts to convince the Committee that it was acting unreasonably were unavailing, and in the face of the Committee's decision that unless the alleged restrictions were withdrawn the procession would be taken out without a licence, the District Magistrate, who was justifiably apprehensive of a breach of the public peace, had no alternative but to prohibit the procession under section 144 of the Criminal Procedure Code.

2. At an early hour on the morning of the 23rd November, the Granth Sahib was carried from the Sisganj Gurdwara to a pandal inside the Queen's Gardens, where a crowd estimated at about 2,000 collected. Speeches were made expressing determination to take out the procession in defiance of orders. A warning was then issued that if such an attempt were made, the procession would be dispersed by force, and if necessary by the use of tear smoke. It was meanwhile considered essential, in order to lessen the size of the threatened procession, to disperse the crowd which had formed outside the pandal. A Magistrate accordingly warned this crowd to disperse, but his warning was ignored and mounted police were employed in an effort to carry out his orders. They were attacked with bricks and other missiles, as a result of which two constables received head injuries necessitating their removal to hospital, and two gazetted police officers, and several other members of the force were wounded. The attitude of the crowd was at this stage extremely aggressive, and tear smoke was therefore used, as a last resort to disperse it. This had the desired effect.

3. The Granth Sahib was given a safe passage through a police cordon to the Sisganj Gurdwara after which the police proceeded to clear the crowds in both directions from the Chandni Chowk. A procession, however, emerged suddenly from the Sisganj Gurdwara and in view of the violent temper of the crowd, it again became necessary to use tear smoke in order to disperse it. This was done after due warning and was again successful.

I may add that the use of tear smoke on this occasion was, in the opinion of the Government of India, fully justified and made it possible to control the situation without resort to more drastic forms of action.

ARREST AND DETENTION OF MR. SARAT CHANDRA BOSE.

44. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state the specific charges for which Mr. Sarat Chandra Bose of Calcutta has been arrested, and the evidence in support of such charges?

THE HONOURABLE MR. E. CONRAN-SMITH: Government have nothing to add to the communique, dated the 11th December, 1941 which was issued at the time of the arrest of Mr. Sarat Chandra Bose.

THE HONOURABLE MR. P. N. SAPRU: Was the Government of Bengal consulted in regard to the arrest of Mr. Sarat Chandra Bose and did the Government of Bengal agree to it?

THE HONOURABLE MR. E. CONRAN-SMITH: I have said that I have nothing to add to the communique which has already been published.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is the Honourable Member aware that statements have been made in Bengal which show that the Provincial Government was not consulted? Is it not necessary therefore for the Government of India to clarify the position?

THE HONOURABLE MR. E. CONRAN-SMITH: I have seen such statements. The Government of India do not consider it necessary at present to add anything to what they have stated.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Obviously they give ground for the belief that they acted without even informing the Provincial Government.

THE HONOURABLE MR. E. CONRAN-SMITH: I think that is a matter of opinion.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will the case of Mr. Bose be considered by any Tribunal which may be appointed to look into the cases of detenus?

THE HONOURABLE MR. E. CONRAN-SMITH: I repeat that at present I cannot add anything to the statement which has been made.

THE HONOURABLE MR. P. N. SAPRU: Was the evidence against Mr. Bose placed before any advisory judicial authority before action was taken?

(No answer was given.)

REPRESENTATION OF INDIA ON THE EMPIRE WAR CABINET.

45. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Are Government aware that the formation of an Empire War Cabinet is under consideration, or such a Cabinet has already been formed, for the purpose of obtaining the closest co-operation between the British Commonwealth of Nations, on propaganda, production, and strategy? What is the position of India in this Empire War Cabinet, and by whom is India represented, or is intended to be represented, in this Cabinet? If she has been excluded, why?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: I would refer the Honourable Member to statements by the Prime Minister in the House of Commons on the 27th January and the 5th February last, which have been reported in the press. He will observe that the formation of an Empire War Cabinet is not at present in contemplation. I would, however, invite the attention of the Honourable Member to the following communique issued on the 12th February:—

“His Majesty's Government are anxious that India should be afforded the same opportunity as the Dominions of being represented at the War Cabinet and on the Pacific War Council for purposes of

the formulation and direction of policy for the prosecution of the war. They have accordingly invited the Government of India to arrange for such representation if they so desire".

The position of the Dominion and Indian representatives at the War Cabinet was clearly indicated in the Prime Minister's speech of the 5th February.

BROADCAST OF INDIAN NEWS FROM BERLIN BEFORE PUBLICATION IN NEWSPAPERS IN INDIA.

46. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Are Government aware that sometimes important Indian news come over the Berlin Radio before they find publication in Indian newspapers? If so, how is this so? Have Government taken all possible and effective precautions to exclude rigidly all fifth column activities in India?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : The Government of India have no record of any instance in which important Indian news has ever been broadcast from Berlin before it has been published in newspapers in India, and will be glad to know of any examples which the Honourable Member has observed. But if this should have happened, there would be nothing remarkable in it. News items about India are conveyed to the United Kingdom on behalf of the principal News Agencies by wireless. These wireless messages can be picked up in enemy countries and used in enemy broadcasts to India.

Government have taken and are continuing to take all possible measures, in consultation with the Provincial Governments, to combat fifth column activity in India.

SESSION OF THE HINDU MAHASABHA AT BHAGALPUR.

47. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Has there been any communication between the Government of India and the Bihar Government, or between the former and Veer Savarkar, President of the All-India Hindu Mahasabha, with regard to the ban on the holding of the Mahasabha session in Bhagalpur, Bihar? If so, will Government lay a copy of the correspondence on the table, or at least allow any Honourable Member of this House to have access to such communications?

THE HONOURABLE MR. E. CONRAN-SMITH : In accordance with the usual practice, Government are unable to give any information about any correspondence which may have passed between themselves and any Provincial Government.

BALLABHDAS ESHWARDAS, CATERING CONTRACTOR, N. W. R. AND E. I. R.

48. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (a) Will Government lay on the table of the House the reports of the analyst on the samples of articles (sold by Ballabhdas Eshwardas) sent by the medical authorities on the East Indian Railway and the North Western Railway?

(b) Did the United Provinces Advisory Committee request the General Manager to hold a special meeting for the consideration of catering question and was the request refused? Did the East Indian Railway Administration ever put before any Advisory Committee any matter concerning the catering contracts for their advice or information during the past three years; if so, when and if not, why not?

(c) How many contractors were given notice of termination of their contracts and how many of their contracts were given to Ballabhdas Eshwardas within the last three years?

THE HONOURABLE SIR LEONARD WILSON : (a) Copies of the reports which are seen by the Local Advisory Committees either regularly or when asked for, are not available.

(b) The answer to the first part of the question is in the affirmative. In reply to the second part, a general note concerning catering contracts was placed before the Calcutta and the United Provinces Advisory Committees in 1940.

(c) I regret Government have not this information, but so far as I am aware, no contract has been transferred from another contractor to this firm in the last two years, i.e., since the Central Advisory Council recommended that further catering contracts should not be given to a firm which holds area contracts extending over two divisions on the same railway.

EXTENSION OF SERVICE TO THE GENERAL MANAGER, E. I. R.

49. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : Do Government propose to give extension of service to the General Manager, East Indian Railway?

THE HONOURABLE SIR LEONARD WILSON : Yes.

INSTALLATION OF A PUBLIC TELEPHONE CALL OFFICE AT THE POST OFFICE, SHAHDARA-DELHI.

50. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : Will Government state the reasons for—

- (a) not installing a public telephone call office at the Post Office, Shahdara-Delhi; and
- (b) not extending the facilities of the delivery of telegrams to the population of Shahdara-Delhi as are enjoyed by the population within five miles from the Delhi telegraph offices?

THE HONOURABLE SIR LEONARD WILSON : (a) There has been no evidence of a sufficient demand.

(b) Delivery facilities are enjoyed by the population of Shahdara-Delhi within five miles of Delhi telegraph office.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

51. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (a) With reference to Civil Services (C. C. A.) rule 2 will Government state the appointing authority of Income-tax Officers who had been appointed as Assistant Income-tax Officers in April, 1921 by the Government of the United Provinces?

(b) Does the transfer of the Income-tax Department in 1922 amount to a second or new appointment of such officers?

(c) If so, who made such second appointments and when and under what rules?

(d) Were such second appointments duly gazetted ?

THE HONOURABLE MR. C. E. JONES : (a) The Governor General in Council is deemed to be the appointing authority of the officers in question for the purposes of the Civil Services (Classification, Control and Appeal) Rules.

(b) No.

(c) and (d). Do not arise.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

52. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (a) In view of the fact that the classification of the public services under Civil Services (C. C. A.) rule 14 took place in May, 1930 and the Income-tax Officers in the United Provinces were placed under Central Service, Class II, in May, 1932 will Government state the service to which officers belonged between April, 1921 and May, 1930 or March, 1932 ?

(b) When did they cease to belong to their original service under the Local Government ?

THE HONOURABLE MR. C. E. JONES : (a) and (b). The officers belonged to an unclassified service of the Provincial Government till the centralisation of the Income-tax Department in 1922 and to an unclassified Central Service till 1932 when Income-tax Officers were constituted into a Central Class II Service. They ceased to belong to their original service under the United Provinces Government in 1922.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

53. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : (a) With reference to Civil Services (C. C. A.) rule 3 will Government state if the Civil Services (C. C. A.) rules apply to the gazetted officers of the Income-tax Department for whose appointment and conditions of employment special provisions have always existed under the Income-tax Act, 1922 ?

(b) If so, to what appointment does exception (a) in Civil Services (C. C. A.) rule 3 apply ?

(c) Are not the gazetted officers of the Income-tax Department appointed in 1921 by the United Provinces Government excepted from the application of the Civil Services (C. C. A.) Rules ? If they are excepted, what rules apply to them and where are such rules contained ?

THE HONOURABLE MR. C. E. JONES : (a) and (b). Gazetted officers of the Income-tax Department are covered by exception (a) to rule 3 of the Classification, Control and Appeal Rules, since provisions for their appointment and conditions of employment are laid down in section 5 of the Indian Income-tax Act. The provisions of the Classification, Control and Appeal Rules, however, are also applicable by virtue of the first proviso to rule 3, since section 5 of the Indian Income-tax Act does not provide for such matters as classification of service, discipline, conduct and appeals.

(c) No.

ANNUAL REVIEW BY INCOME-TAX COMMISSIONERS OF PROMOTIONS HELD UP BY EFFICIENCY BAR.

54. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : Are Government aware of the instructions of the Director General, Posts and Telegraphs (*vide* D. G., P. T.'s G. O. No. 12, dated the 26th August, 1924) that cases

of all men held up at an efficiency bar should be reviewed annually ? Do similar instructions exist for the guidance of Income-tax Commissioners ? If so, where are they contained ? If not, why no uniformity has been observed in the matter.

THE HONOURABLE MR. C. E. JONES : Yes. No such instructions, however, have so far been issued by the Government of India to Commissioners of Income-tax but the point is under examination.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

55. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : Will Government state in how many cases of Income-tax Officers held up at efficiency bar in the United Provinces, annual review was made by the Income-tax Commissioner on his own initiative and with what results ? If not, why not ? Were the results of such annual reviews communicated to Government and to the persons concerned ? If so, when and in how many cases ? Did Government examine the results of such reviews annually or call for reports from the Income-tax Commissioners ? If not, do Government propose to do so now and examine such cases ?

THE HONOURABLE MR. C. E. JONES : The information is being collected and will be placed on the table of the House in due course.

RULES MADE UNDER SECTION 241 OF THE GOVERNMENT OF INDIA ACT.

56. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : Have any rules been framed under section 241 of the Government of India Act, 1935, similar to those made by Government under section 96B (2) of the Government of India Act, 1919 ? Are the Fundamental and the Civil Services Classification, Control and Appeal Rules under section 96B (2) of the Government of India Act, 1919, still in force, without any modifications ? If not, what rules have taken their place or what changes have been made in them ?

THE HONOURABLE MR. E. CONRAN-SMITH : The attention of the Honourable Member is invited to the reply given in the Legislative Assembly to unstarred question No. 56 on the 12th November, 1941.

RIGHTS OF MEMBERS OF THE CENTRAL SERVICES *VIS-A-VIS* THE SECRETARY OF STATE'S OFFICERS IN THE MATTER OF SECURING REDRESS OF GRIEVANCES.

57. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : With reference to sections 248 and 250 of the Government of India Act, 1935, will Government state whether similar provisions for complaint or redress exist so far as gazetted officers of the Central Services are concerned ? If not, why not ?

THE HONOURABLE MR. E. CONRAN-SMITH : Provisions for the redress of grievances, by appeal to an appropriate authority, do exist for officers of the Central Services in the Civil Services (Classification, Control and Appeal) Rules.

The rights conferred by sections 248 and 250 of the Government of India Act, 1935, apply only to officers appointed by the Secretary of State including

those officers belonging to the Central Services who may have been appointed by him. These rights are a continuation of the rights already enjoyed by them under section 96B (1) of the Government of India Act, 1919. The Government of India do not see any justification for extending that right to officers appointed by Governments in India.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

58. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : With reference to the provisions of section 241 (3), will Government state whether persons who are appointed as Assistant Income-tax Officers by the Government of the United Provinces in 1921 and have been serving as Income-tax Officers have a right of appeal to that Government ?

THE HONOURABLE MR. C. E. JONES : No.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

59. THE HONOURABLE HAJI SYED MOHAMED HUSAIN : Will Government state in how many cases efficiency bar imposed on Income-tax Officers in the Central Provinces and United Provinces has been removed within the last twelve months, and after what duration ? Is it not a fact that efficiency bars have been removed within the said period by the Income-tax Commissioner after his personal inspection of work without waiting for more than one report of the Inspecting Assistant Commissioner while this has not been done for years in other cases ? What is the reason for such a differential treatment ?

THE HONOURABLE MR. C. E. JONES : In one case and after the lapse of a little over a year. The answer to the second part of the question is in the affirmative. As regards the third part, there is no question of differential treatment. Obviously each case has to be decided on its merits and a decision in one case does not necessarily apply to another.

RESTRICTION ON THE PURCHASE OF STRAITS DOLLAR NOTES.

60. THE HONOURABLE MR. M. N. DALAL : (a) Are Government aware of a Press communiqué, dated 29th January, 1942, imposing a restriction on the purchase of Straits Dollar Currency Notes ?

(b) Has the Reserve Bank of India refused to exchange such Notes of more than 300 dollars per person from evacuees from Malaya ?

(c) If so, why ?

(d) Has the Reserve Bank of India imposed any such restriction on the Burmese Currency Notes ? If so, why ?

(e) What arrangements, if any, have been made to recover sums locked up in such Notes after the war has come to an end ?

(f) Has the Reserve Bank of India imposed any such restriction on the Currency Notes of any other British Dominions or Colonies ?

(g) Has the Reserve Bank of India refused to exchange the Bank of England £ Notes, even if proved to be directly from the United Kingdom or any of its Dominions Overseas ?

(h) Have the Japanese Government placed any restriction on the circulation, in Japanese or Japanese occupied territories, of Currency Notes of the United Kingdom or British Dominions, Colonies, or Settlements ?

(i) Are British subjects in Shanghai and Hongkong restricted from withdrawing not more than 200 local dollars monthly per person ?

(j) Have Government any information of urgent cases of distress amongst British subjects in Shanghai and Hongkong arising out of this restriction ?

THE HONOURABLE MR. C. E. JONES : (a) Yes.

(b) and (c). To prevent Straits dollar notes which had fallen into enemy hands being dumped in India it was necessary to restrict their import and till arrangements could be made for the purchase and cancellation of these notes in India, the Reserve Bank of India made arrangements to purchase limited quantities of Straits dollar notes from genuine evacuees to prevent any immediate hardship. The limit of 300 dollars has, however, now been removed in the case of purchases from evacuees.

(d) No.

(e) Does not arise.

(f) The bringing in of all foreign currency notes with the exception of those of Burma, Ceylon, Iran and Afghanistan has now been prohibited except with the permission of the Reserve Bank. The Reserve Bank have issued a general permission for the import of such notes provided they are declared on arrival subject to certain limits and exceptions as stated in the press communique issued on this subject.

(g) Yes, but only in cases where Bank of England notes have been brought into India in excess of the prescribed limit of £10 and without an export permit from the country of origin.

(h) (i) (j). Government have no reliable information regarding either restrictions which may have been imposed or distress arising from them. His Majesty's Government are making efforts to provide for the safeguarding of British interests in territories occupied by the Japanese.

THE HONOURABLE MR. M. N. DALAL : With reference to (b), could the Honourable Member tell the House what the limit now fixed is instead of 300 dollars ?

THE HONOURABLE MR. C. E. JONES : The limit has been removed.

THE HONOURABLE MR. M. N. DALAL : With reference to (h), I wonder if the Honourable Member could inform the House whether the Japanese Government have enforced conversion of our currency into yen.

(No answer was given.)

BRITISH SUBJECTS IN ENEMY OCCUPIED TERRITORIES IN THE FAR EAST.

61. THE HONOURABLE MR. M. N. DALAL : (a) Have Government any information about British subjects in enemy occupied territory in the Far East ?

(b) Are British subjects interned or free ?

(c) Are British subjects forced to do any kind of labour ?

(d) Are British subjects subject to any restriction regarding their (1) money, (2) property, (3) food, and (4) essential requirements of life ?

THE HONOURABLE MR. G. S. BOZMAN : (a) Information of a general character has been received in respect of Japan, Indo-China, Shanghai and other treaty ports in occupied China.

(b) (c) and (d). In Shanghai ; and other treaty ports in occupied China, the general situation was reported to be satisfactory though public utilities were functioning on a restricted basis and withdrawals from British deposits in banks were limited to 2,000 local dollars per month per person. British subjects, other than officials, were not interned, and were reported to be fairly well treated.

The present position regarding Indians in Indo-China is that they have not so far been disturbed and that no restrictions have been placed on their movement.

THE HONOURABLE MR. M. N. DALAL : Have the Japanese Government enforced any restriction on property owned by British subjects ?

THE HONOURABLE MR. G. S. BOZMAN : I am afraid I have no reliable information about that, Sir.

THE HONOURABLE MR. P. N. SAPRU : Is there any neutral consulate looking after the interests of the Indian residents in Shanghai and Indo-China ?

THE HONOURABLE MR. G. S. BOZMAN : Yes, Sir. The protecting power is Switzerland so far as occupied China and Indo-China are concerned.

REPRESENTATION OF INDIA ON THE PACIFIC WAR COUNCIL.

62. THE HONOURABLE MR. M. N. DALAL : (a) Are Government aware of a Press communiqué, dated January 30, 1942, from Melbourne, stating that the Commonwealth War Cabinet and War Council are being consulted by His Majesty's Government on the constitution and powers of the Pacific War Council ?

(b) Have His Majesty's Government arrived at any conclusion regarding the constitution and powers of the Pacific War Council ? If so, who are to be the Members of the Council ?

(c) Will India have a Member on this Council ?

(d) If so, will Government consider the advisability of nominating an Indian on that body ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Questions Nos. 62 and 63 have already been dealt with in my answer to question No. 45.

THE HONOURABLE MR. P. N. SAPRU : The Honourable the Leader of the House has not answered part (c) of question 62. Is it the intention of the Government of India that India should be represented on this Council ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Yes, it has already been answered that India will be represented. At least India has been invited to send representatives to both these.

REPRESENTATION OF INDIA IN THE BRITISH WAR CABINET.

63. THE HONOURABLE MR. M. N. DALAL : (a) Are Government aware of a Press communiqué, dated January 30, 1942, from Melbourne, stating the Commonwealth War Cabinet and War Council are being consulted by His Majesty's Government concerning the representation of the Dominions on the British War Cabinet ?

(b) Have His Majesty's Government arrived at any conclusion re representation of Dominions on the British War Cabinet ? If so, who are to be the Members of the War Cabinet ?

(c) Will India have a Member in the British War Cabinet ?

(d) If so, will Government consider the advisability of nominating an Indian on that body ?

(See reply to question No. 62.)

INDIAN TROOPS.

64. THE HONOURABLE MR. M. N. DALAL : (a) Are Government aware of a statement made by Mr. Churchill in his speech of the 27th January, 1942, saying, " No obstacles are placed in the way of Australian troops wishing to return to their own Homeland " ?

(b) Will Government state whether His Majesty's Government will permit Indian troops now fighting overseas, to return to and fight for the defence of their own country, under similar circumstances ?

(c) Will Government state whether His Majesty's Government are in a position to make the necessary transport arrangements for such troops leaving the African or any other theatre of war ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) Yes, Sir.

(b) and (c). In the theatres where they are now operating Indian troops are in fact defending India and helping to keep the enemy away from Indian soil. There is nothing to prevent the bringing of Indian troops to India if it becomes desirable to do so, and in such circumstances the necessary arrangements for their transport would naturally be made.

MANUFACTURE OF STANDARD CLOTH.

65. THE HONOURABLE MR. M. N. DALAL : (a) Have Government come to any conclusion on the manufacture of standard cloth ?

(b) If so, what is the percentage, fixed by Government, of the capacity of the various mills towards the production of standard cloth ?

(c) Have Government fixed the price of such standard cloth ?

(d) Will the price of such cloth, whether of coarser or finer counts, be the same ?

(e) Are the Provincial Governments prepared to handle the sale of such cloth directly, or through the agency of co-operative organizations ?

(f) Have the Government of India given any guarantee to the mills that any portion of such cloth, which is not taken up by the market, will be taken over by Government? What would be the estimated cost of such a guarantee?

THE HONOURABLE SIR ALAN LLOYD: With your permission, Sir, I propose to reply to the question as a whole. Certain tentative conclusions were reached at the meeting of the Panel of the Indian Textiles Industry held on the 20th January, 1942, with regard to the question of the production and distribution of standard cloth. These require further examination in consultation with the Provincial Governments and the textiles industry and the Government of India are, therefore, not yet in a position to give any definite information in the matter.

THE HONOURABLE MR. HOSSAIN IMAM: When do the Government think they will be able to give us definite information?

THE HONOURABLE SIR ALAN LLOYD: I am afraid I cannot assign any date for that purpose.

THE HONOURABLE MR. HOSSAIN IMAM: How long has this matter been under the Government's active consideration?

THE HONOURABLE SIR ALAN LLOYD: I want notice of that question, Sir.

RELIEF TO COTTON CULTIVATORS.

66. THE HONOURABLE MR. M. N. DALAL: (a) Have Government come to any conclusion for offering financial relief to cultivators of cotton?

(b) If so, will Government lay their scheme on the table of the House?

THE HONOURABLE SIR ALAN LLOYD: The attention of the Honourable Member is invited to the press communiques issued on the 26th and 29th January and on the 11th February, 1942 on the subject, copies of which I lay on the table of the House.

Press Communiqué.

RELIEF FOR COTTON CULTIVATOR.

SPECIAL FUND CREATED.

Ever since the breach of trade relations with Japan, the Government of India have been giving close attention to the effects on the cultivator of cotton of the cutting off of the most important markets for certain of the lower grades of raw cotton produced in India; and they recently decided to create a special fund which will enable them to undertake measures for the relief of the situation.

They have in view not merely immediate steps to steady the market by making purchases of raw cotton of the types concerned as suitable occasion arises, but also, in order to improve future prospects, arrangements for the financing, in co-operation with the Government of the Provinces and States concerned, of measures designed to assist the cultivator to change over from short staple cotton to other more useful crops, whether cottons of longer staples or entirely different crops, preferably foodgrains.

COMMERCE DEPARTMENT.

New Delhi, January 26, 1942.

Press Communiqué.

COTTON CULTIVATORS' RELIEF FUND.

ADDITIONAL DUTY ON IMPORTED COTTON.

The Government of India very recently issued a press communiqué announcing their decision to form a special fund to be used for the relief of cultivators of short staple cotton. The fund is to be created from the proceeds of the additional duty of 1 anna per lb. on imported raw cotton which has been imposed by an Ordinance issued today.

The Government of India wish to emphasise that the accounts of this fund will be kept separate from the general accounts of Government and that the imposition of the duty is a temporary measure.

Their intention is to remove the duty when they are satisfied that the amount in the fund has become sufficient to meet all the liabilities that will be incurred in pursuance of the objects for which it was created.

COMMERCE DEPARTMENT.

New Delhi, January 29, 1942.

Press Communiqué.

RAW COTTON FUND.

PAYMENTS NOT TO AWAIT COLLECTION OF DUTY.

The Government of India wish to make it quite clear that operations involving payments out of the Raw Cotton Fund constituted under the recent Ordinance will not have to await the actual collection of the additional duty but can be financed by the Fund on advances obtained against the prospect of future collections.

They trust that the knowledge of this will serve to discourage cultivators from parting with their stocks at uneconomic prices especially at moments when the market displays a panicky tendency.

In order to accelerate their examination of the best plans for immediate action in connection with the Fund the Government have invited representatives of the East India Cotton Association and the Indian Central Cotton Committee to meet them on Monday next at Delhi, for preliminary discussions.

COMMERCE DEPARTMENT.

New Delhi, February 11, 1942.

STANDING COMMITTEE ON EMIGRATION.

THE HONOURABLE THE PRESIDENT: With reference to the announcement made by me on the 23rd February regarding nominations to the Standing Committee on Emigration, I have to announce that the following Honourable Members have been nominated for election to that Committee:—

The Honourable Pandit Hirday Nath Kunzru,

The Honourable Mr. V. V. Kalikar,

The Honourable Saiyed Mohamed Padshah Sahib Bahadur, and

The Honourable Sir David Devadoss.

There are four candidates for four seats and I declare them duly elected.

GENERAL DISCUSSION OF THE RAILWAY BUDGET, 1942-43.

THE HONOURABLE THE PRESIDENT : We will now proceed with the discussion of the Railway Budget. I do not propose to fix any time limit, but I desire to ask Honourable Members to be sparing in their remarks and not occupy more time than is absolutely necessary. If the Honourable Member for Communications is here in the afternoon I shall ask him to reply to the debate.

THE HONOURABLE SIR A. P. PATRO (Nominated Non-Official) : At this critical juncture of time when every one, man and woman, ought to be doing everything in his or her power to fight the terrible enemy and to crush Nazism it is inopportune perhaps to enter into any detailed discussion and raise controversial points. I am glad to say that the present Budget does not raise very many controversial points, but there are many omissions which I shall have to bring to the notice of this House.

There is one commendable feature in the speech of the Honourable the Chief Commissioner. It is in paragraph 23 of his written speech in which it is said :—

“ Work on munitions production has steadily increased throughout the year in railway workshops, and there are now some 16,000 workshop employees engaged on this work. This has involved the recruitment and training of a large number of men, in replacement in order to carry on the railway work in the shops. From the shops and from all other branches of the service we have supplied men for Military Railway Companies and we have also undertaken the recruitment and training of the large additional number required for these companies ”.

This is really commendable activity on the part of the Railways and I heartily support them in that matter.

Sir, as I said, there is no need now to enter into serious controversies. Out of evil cometh good ; out of the war the Railways have yielded startling surpluses. It is not due to wise and prudent management of the Railway Administrations but, as it has been said, it is due to the accident of war. The revised estimates for the year reveal a surplus of Rs. 26·20 crores over the actuals of Rs. 18·46 crores of the Budget. For the next year it is said, though it is speculative, that a surplus of Rs. 27·95 crores is expected, while the revenue may rise to Rs. 129·51 crores. Then where does all this money arise from ? It comes from the people of India. The question naturally arises from this : what has the Railway Board done to increase facilities and amenities for the people and help the farmer, cultivator, the ryot in sending his raw produce to the best market ? General revenues may be augmented when depreciation fund may be recouped ? What direct benefit has been conferred upon the ryot, the producer, the person who bears all the burdens of taxation ? That is the real point to be aimed at in the Budget and we search in vain to see if anything has been done or any new policy has been enunciated in the Budget. What direct contribution the Railways have made for the benefit of the people who contributed so largely to the surplus ?

Sir, there is no indication of any new transport policy with a view to increasing the facilities for easier and more economical sending of produce of the ryot, of the cultivator, directly to the market.

Now, Sir, is there any evidence of carrying into practice some of the useful recommendations of the Wedgwood Committee ? The Railway Board in Part II of their Explanations have indeed said that they have appointed expert committees—Technical Committees and Operation Committees—and their reports are awaited, and when the reports came they would appoint

a further expert committee to scrutinize their recommendations and thereafter they would pass final orders. We have again to go once more to the recommendations made in paragraph 47 of the Wedgwood Committee's Report. The final result is not yet disclosed even though from 1937 to 1942 we have been waiting for the orders.

THE HONOURABLE SIR ANDREW CLOW (Communications Member) : What is in paragraph 47 ? I do not carry the paragraph in my head and we do not know the particular recommendation to which the Honourable Member is referring.

THE HONOURABLE SIR A. P. PATRO : If the Honourable Member has not seen the Report, here is a copy. He may see it and refresh his memory.

THE HONOURABLE SIR ANDREW CLOW : I have seen the Report ; but I think the House will appreciate the point if the Honourable Member will give the House some indication of the paragraph to which he is referring.

THE HONOURABLE SIR A. P. PATRO : Paragraph 47 relates to the percentage of locomotives, carriages and wagons under or awaiting repairs being excessive. The remarks of the Railway Board are :—

“ Under investigation by a mechanical officer on special duty..... The analysis of this data relating to wagon defects has recently been completed and will shortly be considered by the committee appointed for the purpose ”.

This is what I am referring to.

Again on paragraph 47 (c) the remarks are :—

“ Under investigation by both mechanical and operating officers on special duty. A memorandum dealing with increased utilization of rolling stock was circulated to Railways some time ago and formed the basis of a discussion with General Managers at their meeting with the Railway Board on 15th October, 1937..... and the Chief Mechanical Engineers of State-managed railways have met to discuss the possibility of certain types of pooled wagons being repaired in the State-managed railways to which they are nearest at the time they fall due for repair regardless of ownership. The inspection of available locomotive servicing facilities has been completed on all broad gauge railways and reports submitted to the Administrations concerned ”.

Then on paragraph 47 (d), (e) and (f) the remarks are :—

“ A review of the stock position has been made and the Railway Board are of the opinion that a general surplus of rolling stock no longer exists. The Board, however, agree that improved availability and utilization is possible of attainment and the rolling stock programme forms have been revised to include relevant availability and utilization statistics over a number of years..... ”.

Again on paragraph 47 (g) the remarks say :—

“ Replies from all broad gauge railways who were asked to review the uneconomical wagon position and submit proposals for reconditioning when this course can be shown to be financially advantageous, have been received. These replies are now receiving the Railway Board's attention ”.

And further again on paragraph 49 :—

“ Railways have been asked to overhaul existing repair schedules with a view to reducing the period rolling stock is under repair in workshops and report to the Railway Board ”.

These are some of the recommendations, very useful, very necessary, to economise in the administration.

[Sir A.P. Patro.]

Again, Sir, there is no proposal for co-ordinating the Railways with other means of transport available in the country. This is an important matter which was also emphasized in the Report which will affect the transport facilities not only during the war but after it. There is little prospect, it is admitted, of the Railways meeting the whole need, entire need, of the country. It was observed that no restriction should be imposed on road transport which would unfairly hamper its development. What is equally important in certain parts of India is that road and railway traffic ought to be regulated as public services and effective co-ordination of the transport should be attained. This initiative has to be taken by the Railway Board and nothing has been done up till now to show when this co-ordination will be effected. When there is that vast surplus people expected a more liberal policy in regard to improvement and relief from the burden of heavy fares and freights, but no relief has been indicated. There should be a general reduction in rates and fares when there is a large surplus. The primary consideration with the majority of the people is the cost of travel. Every passenger prefers to have a cheaper service. This has been turned down on financial grounds. The Railway Board, in spite of the heavy surplus, did not deem it necessary to reduce the heavy fares and freights. The rates and fares are heavy in this country, considering the income per head of the population. This is a poor country. This country is mostly agricultural. The agriculturists have now learnt to eliminate the middleman capitalist. He now sends his produce direct to the market. This is a satisfactory feature in the rural areas, where the cultivators are now attempting to send their produce direct to the market, eliminating the middleman, and their enterprise in this direction should be encouraged. The co-operative system has not yet been successful. There is economic struggle in the rural areas on account of this and consequent unrest. Still the Railway Board places disability on the farmer. The proposal to increase the rates and fares must be abandoned. An increase of two annas in the rupee on small consignments of foodgrains add to the difficulties of the ryot and compel him to resort to the *banya* or the *sahukar* and sell his stock to him at a price dictated by the latter. The reason assigned by the Railway Board is not at all satisfactory. How can a villager secure a wagon load of foodstuffs to help the Railway Board's conception? How is it possible for a farmer in a village, or even for two or three farmers, to combine and put in their goods in a whole wagon? They are not able to secure such an amount of raw produce as to be able to send it to the best market available. Why should a wagon load be necessary and why should smaller consignments have to pay an increased rate of two annas in the rupee? After all, what is the gain? The revenue from this will be about half a crore of rupees in a budget of Rs. 129 crores. The primary duty of the Indian Railways is to serve the public and not to burden the cultivator with heavy taxation. What is the need for such taxation when there is such a heavy surplus in the Budget? No valid explanation has been offered for imposing this burden on the ryot. On the other hand, it hampers the cultivator, the smaller landlord and the ryot in sending his produce to the best market. At a time when he is not able to pay his *kist* or revenue assessment, what is he to do? He has to go to the *sahukar* and borrow money. In spite of Acts passed in the Provinces, he will get the money at a very high rate of interest. Therefore, it seems to me that it is a very short-sighted policy. This is perhaps the best way of increasing unrest in the rural areas.

The Honourable Member referred to the decrease in expenditure in his speech, and said it was due to the difficulty of supply of essential material for maintenance purposes, for locomotive building and for renewals. It has

been pointed out that the Ajmer Workshops have not been able to work on account of the want of materials and that there have been heavy demands for metre gauge engines and lighter demand for broad gauge engines. The whole mistakes seems to be the mistake in the policy of not developing the railway industries in India with the material available in India. The railways and other administrations have always been depending upon imported materials with a view to collecting and assembling them in India. How do they manage now? At last, they were obliged to go to an Indian firm, the Tatas, and ask them to start a plant. They established a plant and from that plant the Railway Administrations will now be able to obtain wheels, axles and other railway necessities. Where was the wisdom of the Railway Administration during all these years and why have they not seen whether there are similar factories available in India for the manufacture of the necessities of the Railway Administration? This has not been done up till now. Investigation into the industries that would be capable of development in India has been thoroughly neglected hitherto and the fact they have now been able to find a company which can manufacture and supply the necessary materials must eliminate the whole case for importing materials for the purposes of the Railway Administration. Factories ought to have been encouraged to help, as the Tatas have done today. There has been no desire to encourage Indian industry, always depending upon imports from foreign countries. I may say the same with regard to the administrative policy in other respects in India. Take steel in connection with the preparation of surgical instruments. It was said that it was not available in India and that surgical instruments cannot be manufactured in India at all. But today, thanks to the intelligence of one of the Indian scientists, Dr. Gopalaswami of the Board of Scientific and Industrial Research, he has been able to find such quality of steel and to advise the Tatas so that they have been able to manufacture very fine surgical instruments, approved by the Department, and up to the standard. Only the year before last it was thought that it was impossible to manufacture such instruments in India. What is the fact today? Why was it neglected all along?

THE HONOURABLE THE PRESIDENT : But these are war times. Don't you think that war production ought to get preference?

THE HONOURABLE MR. HOSSAIN IMAM : You can do both.

THE HONOURABLE THE PRESIDENT : The Honourable Member is not in a position to answer my question.

THE HONOURABLE SIR A. P. PATRO : Sir, I pass on now to matters of administrative policy. I refer to one case of the B. N. R. Administration. For the last two years the B. N. R. company-managed administration have been receiving surplus profits. But looking at the long line from Khargpur to Waltair, there is absolutely no facility provided for either the first class, second class or third class passengers. A request has been made to the Administration by the Peoples' Association, to the Agent and to the General Commercial Manager as to what has been done. The answer was that the subject was receiving attention and a further communication would follow in due course. The Commercial Traffic Manager notified on the 17th November, 1938 that he was having the matter inquired into and would let the President of the Association know in due course. And it was in October, 1938 that an answer was given that inquiry would be made into the remodelling of a certain portion of Waltair Station to make the refreshment rooms more decent and to improve

V2.32 N42

N42.1

[Sir A. P. Patro.]

the waiting rooms. This could be done along with other arrangements that were proposed for Waltair Station. Waltair Station has become very important for many reasons today, and yet there is no accommodation at all for the convenience of passengers either in the form of retiring rooms or decent waiting rooms. I have myself several times been a victim of the Waltair Station waiting room. It is a disgrace to any decent administration that such waiting rooms should be provided for first and second class passengers. The same thing applies in regard to Cuttack. Cuttack is the capital of Orissa and the station is a miserable hut. It seems to me that the neglect of the B. N. R. with regard to public conveniences is something appalling and no decent administration would allow such things to exist. In spite of the profits they have been making we have yet to know what has been done in the matter since 1938.

Sir, another matter of administration relates to the position of the 233 and odd officers who have been deputed by the Railways to military service. What will be their position in the Administration on their return? Would they be given the same positions which they occupied before going on military service? Secondly, what is their position with regard to promotions in the usual course happening during their absence? Will they be given the benefit of these promotions or will they be the losers by vacancies arising and being permanently filled during their absence? How will their interests be protected in the case of such promotions? Will some concession be shown to those who have gone on military service? A Government Order was issued some time ago but that order does not definitely state their position with regard to this matter. In the case of Indian officers what is the rate of contribution they should make for the provident fund is also an important matter. Then a case was referred by the M.S.M.R. to the Railway Board about August, 1940, and a reply from this wonderful Board is awaited since then. Something must be done in order to expedite the work.

Sir, as I have said, there are not many controversial matters in the Budget and it is very gratifying to see that there is such a large surplus available this year to recoup the General Budget as well as the depleted depreciation fund. In spite of that there are many things which could have been done by the Railway Administration which have been omitted. I have referred to one thing, that encouragement of railway industries has not been done. It has been discovered that there are materials available in this country for the manufacture of wheels and axles and other things. This could have been done much earlier. It is not the war urgency that is driving them. It is because of apathy of the Administration towards Indian industries that prevented them from taking active measures before. Even now wisdom must prevail and I hope that hereafter the poor cultivator and agriculturist ought to be considered. The imposition of an additional two annas in the rupee seems to be altogether unjustifiable and this burden should be taken away from the Budget and the poor man should be given every facility to send his raw produce direct to the market where he can sell best instead of being at the mercy of the local *sahukar* and *banya*.

THE HONOURABLE SIR SHANTIDAS ASKURAN (Bombay : Non-Muhammadan) : Mr. President, we have every reason to be gratified with the financial results of the Railways. It has been the good fortune of the Honourable the Railway Member and the Honourable the Chief Commissioner for Railways to reveal consecutive prosperity budgets in this difficult period

of the war which is casting a heavy strain on everybody. The caution shown by the Honourable the Chief Commissioner in preparing his budget estimates has proved to be overcautious. The difficulties of estimating in war time may be great, but the Government of India has always shown a tendency to underestimate earnings. Not only in finances but in other fields also, underestimation may lead to difficulties. If Great Britain had not underestimated Japan's strength, the position in the Far East would have been far different. Let me hope that the Honourable the Finance Member will not be overcautious in presenting his estimates—especially after the handsome contribution which he can now expect from the Railways.

Sir, I trust that the Honourable the Railway Member will accept the suggestion made in the other House that in order to decide on the necessary concerted measures for meeting the increasingly difficult transport situation he will take immediate steps to consult non-official and business interests and assure the public that all that is possible is being done. A good deal of valuable time has already been lost. If the Central Transport organisation now set up is to function properly, it should get into touch with non-official and business interests and act in close co-operation with them.

Sir, I am glad that the Honourable the Railway Member has ordered an inquiry into the allegations of corruption at the time of the exodus from Calcutta. I hope this inquiry will lead to useful results to save the public from harassment and corruption. Let me draw the attention of the Honourable the Chief Commissioner that in Bombay today there are similar complaints made against railway officials. Sometimes it is impossible to get a ticket without paying a few rupees extra. Berths are not booked for sleeping accommodation in the nights. The inconvenience caused to passengers is so great that a similar inquiry is called for in Bombay also. I am sure that if a concerted policy is followed and strong measures are taken against corruption something could be done to improve the present position.

Finally, Sir, I hope that the Honourable the Railway Member will reconsider his proposal to increase freight rates and fares. As he expects to get only a crore from these increases, he has already such large surpluses that he can afford to do without it. Even if he is not in a position to reduce the old rates and fares he can at least refrain from imposing further increases which add to the burdens of the travelling public.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadan) : Mr. President, Sir, the lean years of the Railways are over, and the railway finances have entered a period of unprecedented prosperity, in which it is able to render substantial assistance to the general revenues at a time when they are being subjected to considerable strain on account of the war. However, the Railways are not earning easy money without additional exertions. An efficient communications system constitutes the lifeline of modern warfare, and the Indian Railways may well congratulate themselves on the splendid record they have been able to achieve in maintaining an everflowing stream of men and supplies for the prosecution of the war. Indeed, these achievements are all the greater, considering that the Railways have had to dispense with many of their experienced personnel for munition production, and some of the most important railway workshops.

The Indian Railways, during the present war, are faced with many new problems which were absent during the time of the last war. India, which was to all intents and purposes an agricultural country during the last war, has become more or less an important industrial country now, throwing on

[Mr. M. N. Dalal.]

Railways the task of transporting raw material and finished goods in an ever-increasing degree. There was no petrol rationing in 1914—1919, and the strain on railway traffic could be eased by diversion to road traffic. Again, there was no evacuation during the last war—a prospect which is being already envisaged in large cities like Bombay, Calcutta and Madras at the present day. These and similar demands on railway traffic may well prove to be difficult to meet in their entirety, due to locomotive and wagon shortage, and the limited operational capacity of the lines.

In this connection, however, it is impossible not to deplore the pathetic obstinacy with which the Railway Administration and the Government refused to start locomotive production in this country in past years despite insistent popular demands. Government acted very unwisely with the result that we have to depend on Britain and America, not only for locomotives but also for many essential articles and materials. Britain and America are engaged like us in a life and death struggle with the Axis powers so that all their resources are being utilised for their own defence purposes, leaving little to be sent over to India. On the other hand, the dismantling and export of railway lines and materials from India—though it may be necessary in the interests of Imperial defence—show how helpless is Britain's own position. The situation would have been far different if there had been an efficient railway manufacture in existence. Perhaps the silence which the Communications Member has observed on this aspect of the matter in his Budget Speech is proof that he realises what a splendid opportunity had been wasted in past years.

Coming to the figures in the Budget, I am glad that the Communications Member has not attempted to be rigid in his expectations for the next year. War is an inscrutable phenomenon, and nobody can look into the future with any degree of certainty. As regards the current year, the revised estimates place the revenues at over Rs. 14 crores more than the original estimates. Such a huge disparity is at first sight too glaring to be left unnoticed, but here again the war condition must come to the rescue of the Communications Member.

There is, however, one noteworthy feature in these surpluses, and that is as regards their disposal. Even though a moratorium on the payment of past arrears to the general revenues exists, it is but right that the Communications Member should not take a too narrow legalistic view of the case, and refuse to give to the taxpayer that relief to which he is entitled. However in war time we consider it our duty to help Government, and it is to be hoped that the House will agree with the Communications Member's request for an extension of the existing moratorium for another year, pending a revision of the Separation Convention or an interim arrangement for the duration of the war.

But, the raising of fares on foodgrains in loads of less than a wagon, and on parcels and excess luggage cannot be justified. In the case of foodgrains, it is bound to add to the existing disparity in the distribution of foodgrains tending to raise the price of the commodities beyond the reach of the poor. As regards parcels, it is stated that the increase has been rendered necessary to check the growing tendency on the part of the public to send parcels in passenger trains, instead of in goods trains. The present rate is already prohibitive enough to check any unnecessary desire for anyone to make use

of passenger trains, and if still there is a marked tendency to prefer the passenger trains to goods trains even at the cost of additional charges, it can only be due to the deterioration that has set in the goods train services. In the circumstances, it would have been the better part of wisdom to render the terms and conditions of goods train services more attractive so as to divert the goods traffic that goes towards passenger trains. These disadvantages hardly justify the meagre revenue increase of half a crore.

Sir, the Railway Member has, with pardonable pride, plumed himself on the increasing desire of the public for State acquisition of company-managed railways as constituting a certificate of merit for the State administration of railways in general. Of course, the State is expected to be better custodian of public interests than Companies whose only activating motive is profit. But, the whole purpose of State-management would be defeated if even after State acquisition, the policy of the Railway Administration is guided by the same considerations as those of their predecessors.

In this connection it is pertinent to observe again that nothing has been said about starting the long neglected manufacture of railway locomotives or wagons or other railway material in India. Long term planning and vision are necessary to work out such schemes, and I respectfully invite the attention of the Communications Member to this all-important aspect of State-management of railways.

Another aspect involved in the recent State acquisition of railways is the crying need for improvement, not only of the train services from the public point of view, but also the improvement of the terms and conditions of service of the railway employees. For instance, the strong public outcry for the State acquisition of the B. N. W. R. and the Rohilkund and Kumaon Railway that was recently raised was the direct result of the unsatisfactory state of affairs existing in them. It is therefore the duty of Government to bring about such improvements as are called for, with a view to ensure fair treatment to the employees who, after all, have in the ultimate analysis to bear the brunt of the burden that has been cast on Railways as a consequence of the war.

The railway authorities should not rest content, now that they have acquired practically the entire railway system of Northern India with the exception of a few minor lines and others owned by Indian States. In fact, the State acquisition of the remaining railways should only be a matter of time, considering the enormous balances that will be accruing to India's credit in the near future—that is to say, so long as the war lasts.

The dismantling of railway lines and export of the materials abroad raises a highly controversial question. Such a policy if systematically pursued

will inevitably have disastrous consequences on the trade and commerce of this country, in addition to causing serious inconvenience to the public at large. When there is serious shortage of locomotives and wagons in India itself, it is impossible to view with equanimity the figures of line mileage and number of rolling stock that have been exported abroad. The Indian Merchants Chamber, Bombay, last month, sounded a note of warning to the railway authorities against the policy they have been pursuing, and gave specific instances of how the trade in various commodities and manufactured goods had been hard hit by the shortage in wagons and lines. But the authorities do not seem to have been impressed with this, and still persist in their policy of uprooting the lines. This is in strange contrast to the policy pursued in England, where it was recently announced

12 Noon.

[Mr. M. N. Dalal.]

on behalf of Government that the greatest care was being taken not to remove railway lines and tramway lines which were of use to the normal working of the trade and commerce systems of the country. Hence, I desire to urge on the railway authorities in India that the Central Advisory Council for Railways should be fully taken into confidence in future before it is decided to remove any of the existing lines. My information is that the Railway Advisory Council was consulted after some of the rails were lifted. It is to be hoped that in future at least the Council will have a say before any such decisions are arrived at.

War time prosperity of the Railways may give place to a peace time slump when the war is over. I have therefore to request the powers that be, to proceed cautiously, to make the best use of the surpluses that are being collected, and to ensure that the mistakes committed in the years following the last war are not again repeated.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. President, before I commence my remarks on the Railway Budget I should like to say a few words about our changed attitude. Last year we had abstained from participation—

THE HONOURABLE THE PRESIDENT : What has the Council to do with it ?

THE HONOURABLE MR. HOSSAIN IMAM : We owe it, Sir, to the Council to give an explanation why we have changed our attitude, otherwise it will be thought that we were behaving in a petulant manner, abstaining for a year and coming forward again.

THE HONOURABLE THE PRESIDENT : That is exactly the case.

THE HONOURABLE MR. HOSSAIN IMAM : Well, that is what I wish to remove, Sir. Our differences with the Railway Department were due to our anxiety to see that justice is done to ourselves. Our contention was that they were too much wedded to the rules and regulations and they had made what was really the means into an end. Rules and regulations are after all framed to obtain certain objects and it is the object which should be kept in view. The Honourable the Railway Member had shown me the courtesy to reply to each and every one of my points at some length at the conclusion of his remarks last year. I was not present, Sir, then to say anything about his remarks, but I am not going to dilate on the grievances of the Muslims because the matter is at the present moment under communication between the Viceroy and our Qaid-i-Azam, Mr. Jinnah. So for us it is a matter *sub judice*, but I would not show disrespect to the Railway Member as not to reply to his remarks.

He has replied to my first charge that the number of appointments made to gazetted posts was less than our share and it was due to the fact that mechanical engineers were not available. I then asked the question : What was the requisition sent to the Public Service Commission ? From the reply of the Government given on the 10th November I learnt that even the requisition was less than the number to which we were entitled.

THE HONOURABLE THE PRESIDENT : You are making up for the last year's omission ?

THE HONOURABLE MR. HOSSAIN IMAM : No, Sir, I am not making up for the omission but I am making up for the omission of the Honourable the Railway Member in not having consulted his book.

THE HONOURABLE THE PRESIDENT : I must point out that it is entirely irrelevant to the Railway Budget. Will you please concern yourself with the Budget ?

THE HONOURABLE MR. HOSSAIN IMAM : In the Budget papers, Sir, we are given figures for the appointments made this year and in the past year and we are perfectly entitled to discuss whether the appointments have been made according to the rules laid down by the Government in the Home Department or not. I say, Sir, that there were 81 Indians appointed after the Home Department notification but the Railway Department sent to the Public Service Commission a requisition only for 16 people, 16 Muslims and they got 15. As you do not like me to dilate on this point, Sir, I will not deal at length but I would simply mention one fact which will help the House to understand how glaring has been the injustice done. I refer to the one fact and one fact alone that the Honourable the Railway Member at the conclusion of his remarks said that promotion should not be on communal basis he meant that no one should get a preference on account of the community to which he belongs. But the facts are against it. Out of 34 appointments to lower gazetted services in the year ended on 31st March, 1941, the latest year, we find that 20 had been given to Europeans, Anglo-Indians and Domiciled Europeans, 11 to Hindus, two to Muslims, and one to Sikhs. If 60 per cent. of appointments can go to those communities who are less than 15 per cent. in the services can you say that it is a fair deal ?

THE HONOURABLE SIR ANDREW CLOW : It obviously depends on the constitution of the men who are most senior in the grade below.

THE HONOURABLE MR. HOSSAIN IMAM : This is not one year, Sir. If the Honourable Member would like I would place before him figures for 10 years to show that consistently over 50 per cent. posts have been going to Europeans and Anglo-Indians ; and Anglo-Indians are now included in the figure for Indians. Anglo-Indians are now bracketted with Indians ; so you get a smaller figure for Europeans. The Indian figures are swelled by the Anglo-Indians and Domiciled Europeans not only in that, but look at the promotion to superior gazetted staff. This year you have made 29 appointments, out of which 19 go to Anglo-Indians and Domiciled Europeans. Things have gone too far to say that it is due to their efficiency. I think British efficiency has been blown sky high. We have seen in the Pacific the efficiency stunt.

Even Dr. Natarajan, the Director of Diwan Chand Political Information Bureau, which is a purely Hindu organisation has been thunderstruck by the action of the Railway Department. His remarks are :—

“ Europeans and Anglo-Indians form a microscopic part of the population but yet they have a far higher percentage than even the Muslims in regard to the superior posts. According to the 1931 census there were about 321,000 Europeans and Anglo-Indians. They have got 9.48 per cent. posts in these services whereas the Muslims have got 8.9 per cent.”

Well if impartial critics, if people who are not pro-Muslims are moved and the stonehearted Railway Board is not moved, then I should say that there is

[Mr. Hossain Imam.]

something rotten with the State of Denmark. I hope, Sir, that the Railway Member, who is a very religious and a very amiable gentleman, will not trust his officials too much. That has been my complaint against him always. I hope he will not believe that everything that comes up to him is all right and there is no need to worry about it, that has been the bane of Englishmen up till now. They believe too much on the man on the spot. If this continues, it will land him in greater difficulties.

I wish now to come back to the Railway Budget proper. The railway prosperity is not a genuine one. It does not reflect either a permanent increase in the purchasing power of the Indians or a trade prosperity. But I must do this justice to the Railway Member that he himself admitted that prosperity is directly the result of the war. It is one of the characteristics of the capitalistic democracy that war is an occasion when industries are prosperous, when those who have the power to supply make money right and left, and it is an occasion when it is thought that legal robbery is justifiable. With the starting of the war we imposed a 6½ per cent. surcharge on the passenger fares and 12½ per cent. surcharge on goods rates. That resulted in an increase of about Rs. 8 crores in the accounts year and about Rs. 10 crores in the revised estimates. This was directly attributable to a taxation imposed on account of the war. We can understand that during the war you want that there should not be a drain on the general taxpayer. We can appreciate your desire that now that the general taxpayer is in need of money, you should pay back the loans which you have taken from them in the shape of withholding the contribution to the general revenues. But, as you have yourself shown, in the past you did not tax foodgrains. Is it right that now, when you are making money, you should start taxing foodgrains? Your plea is very correct that you want that there should be an intensive utilisation of wagons. But are there not other methods of intensive utilisation of wagons? I should like to remind the Honourable Member of what the Honourable the Leader of the European Group said in the other House, namely, that there are many ideas which he (the Honourable Member) can borrow from the commercial people. If he would not think it egoistic of me, from us too, if he would consult us more fully on these matters than he does in his Advisory Committee which does not function in respect of everything. There is need for departmentalization of his Advisory Committee. There should be a committee to advise him on intensive use of locomotive power, one for fuel economy and so on. Let him take a leaf out of the experience of the commercial people as well as the representatives of the people.

After foodgrains, what I am most concerned with is that there should be equality of sacrifice. The one great thing about this surcharge was that it was an equal sacrifice from all. But increase in fares on the E.I.R. in all classes is a very unequal taxation. Do not forget the fact that when you were in lean years, when every company was losing money, it was the E.I.R. which was contributing to you. The E.I.R. has given Rs. 40 crores up till now as surplus, as net profit, to the finances of the Government, and yet you have singled out the people who are using this Railway to bear this burden. It is a public utility service. A public utility service is run for the benefit of the users. But, due to the exigencies of the war, I do not ask you to reduce the fares. But there can be no justification for increasing the fares. On the one side you are increasing the fares to reduce travel; on the other side you are advertising and carrying on propaganda in America and England inviting travellers—

THE HONOURABLE SIR ANDREW CLOW: Not now.

THE HONOURABLE MR. HOSSAIN IMAM: Has that been closed?

THE HONOURABLE SIR ANDREW CLOW: Yes, they have both been closed.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: The Honourable Member should have mentioned that in his speech. That is an important point.

THE HONOURABLE SIR ANDREW CLOW: It is in the Railway Board's Report, I think.

THE HONOURABLE MR. HOSSAIN IMAM: But the saloons of the officers cannot be curtailed. They cannot travel in first class compartments; they must have saloons, but we must be asked to curtail our travel. Railway money should be wasted on advertisements asking people not to travel, fares should be increased so that people might travel less, but the passes cannot be reduced and the saloons cannot be given up. This inequality of sacrifice continues.

Coming to the details, it is not clear whether the income for three months from the B. N. R. company-managed line, and the R. K. R. company-owned line has been mentioned anywhere. The estimates of income under the B. N. W. R. head read the same as they were in the years past, meaning thereby that the Tirhut and Bareilly line has been given credit and the 1,200 miles of B. N. R. and 250 miles of the R. K. R. have not been taken into account. The profits are much lower than the accounts and below the revised. I have not been able to find if it has been included. If I am mistaken, I should like to be corrected. The contract will be terminated in December, 1942, and so you will be entitled to receive three months' income. You have taken it on the expenditure side. You have increased the expenditure by charging the interest for Rs. 15 crores of additional capital invested in the purchase of the B. N. R. But I have not been able to find whether the income and expenditure of these Railways has been anywhere dealt with. I am referring to the Explanatory Memorandum. I plead guilty to the fact that I have not read all the red books you have supplied to us; but I have read through this Explanatory Memorandum which is very exhaustive and very informative too.

There is another matter on which I should like to invite the attention of the Railway Member, and that is the question of granting extensions to men serving on the Railways. I feel very strongly on this question. Extensions of service not only mean that you debar the people lower down from their expectations but you really decrease the efficiency of the staff, because people who have a grouse are inefficient people. If you have a rule that at a certain age a man should retire, there is no reason why he should not retire. If you want to take them back you can do so after retirement on some other work. There are any number of extra jobs for which you require experienced personnel; you can employ them there. But in the natural course of events they should retire and the people below should get their due promotion to which they are looking forward. In many cases one or two extensions granted to a man at the top block out permanently the man below and he never gets the promotion which is his due before he himself has to retire. Such men are themselves occupying responsible positions and the result of having men working in such positions with a grievance can only be inefficiency. There are railway men working in other departments. If necessary you can recall them and send these retired

[Mr. Hossain Imam.]

people to replace them. You can manipulate the services of these people in many ways, but they should not be allowed to stick to the posts they are holding after their age of retirement comes.

Now, Sir, I come to the question of dismantling of lines. The Honourable the Railway Member and the Chief Commissioner for Railways have both given us very meagre information on the financial aspect of this matter. If the dismantling was dictated by the exigencies of the Railways, the cost should have been charged to railway revenues; but if it was dictated by the needs of the war is it not necessary that His Majesty's Government should bear a good proportion of the cost of this dismantling? We do not know even the price which has been charged for the rails, dog spikes and other things made over to His Majesty's Government. Did you charge them the open market price of the present time or the original price or the written down price? What was the price you charged? It is all right to say it is only a question of coming from one pocket and going into another pocket if it is only a Government of India transaction. But mostly this involves transactions with His Majesty's Government. Most of the rails have gone out of geographical India and I claim that under any principle of accounting you are entitled at least to the cost of the material at the current market prices plus the loss incurred in dismantling. If we were selling in our own interests and at our own desire it is one thing, but when buyers are anxious to buy the price rises with a vengeance. I would not overcharge them but at least I would charge them the current market price plus a part of our loss—I would not charge them all the loss—in dismantling. What has happened? We are only receiving about Rs. 41 lakhs out of Rs. 3 crores and the rest is coming from the depreciation fund of the revenue. It is a most unfair deal that was ever received.

Then, Sir, I should like to say that we are grateful to the Finance Department for having corrected the mistake and taken all our payments from the Railways in discharge of our debts and not taken them as a surplus. According to the old arrangement we would have paid surpluses, whereas we had no surplus. It was a very fair deal. While I have complained of an unfair deal I should also like to pay my tribute to a fair deal which the Railway Department has received from the Finance Department, and I think it is one on which both deserve the congratulations of the House for having done the right thing.

Sir, as I said in the beginning, this is a speculative budget and it does not reflect on anything. But rates and freights should not be increased because it is unjust.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce): Sir, you this morning drew our attention to the desirability of brevity and I listened in another place yesterday to the Honourable Member for Communications reminding us that all we say and all we do has necessarily and properly to be done with the background of the war. We all I think welcome the new Central Transport organization and we hope that it may perform, not miracles, but very great things. What we would like to know is whether the public can help at all and, if so, in what way?

The Budget draws our attention to one very considerable item of Rs. 143 lakhs in connection with dearness allowances to railway servants. Government very properly made it plain when they announced that allowance that there were two considerations which had to be borne in mind. One was the question of the cost of living and the other the capacity of the Railways to bear that

allowance. While I think the cost of living is a very important consideration, I do think that it is dangerous to tie remuneration or even dearness allowances specifically and completely to cost of living. There are perhaps other ways of overcoming the difficulty which is meant to be met by this which are safer, and one I have particularly in mind is the distribution of foodstuffs in kind rather than by meeting the increased costs by cash payments. Another perhaps even more important method and perhaps more satisfactory is price control, which I admit is very difficult to enforce. One is faced with the dilemma in matters of this kind of trying to do justice to the staff and at the same time avoid that awful experience which Europe went through in the last war of inflation. I do not think anybody who lived through those days can doubt that much of the misery of the post-war five or ten years and much of what we are going through now was in fact due to that awful inflation which led to a complete collapse of the interests of the working classes even more than the interests of any other class. I myself think that it would be very useful if Government could see their way to give a little more information to the public on this very important question of the relationship between payments to employees by employers and inflation. There is a good deal of ignorance even among the more educated classes as to why you cannot meet a difficulty of this kind simply by paying more money to your employees. If you could, I am quite sure that we would all welcome it and would only be too glad to do so; but that is not the way it works. In fact there is probably no other payment that is quite as dangerous from the national point of view as increased payments to the working classes so-called. Any other payments are apt to come back into the coffers of Government either in the form of taxes or loans or something of that kind and are not inclined to have such a dangerous effect on the financial situation of the State. Where payments are made by employers as in the case of the Railways—as I understand it, partly based on the prosperity of the undertaking in which the people are employed—I think where it can be done it is very desirable that payments should be made in some form of deferred assets; assets where the expenditure would normally be incurred after the war when it would do good instead of during the war when it would be inclined to do harm. There are undoubtedly some members, quite a large number of members, of the public who now are meeting the increased cost of living out of what normally they would be saving for their future requirements and certainly in those cases I think it is most desirable that anything that is given to them to make good the difficulties of their life at this stage should be in a form which will be available later rather than now.

There has been a certain amount of criticism of the increases in charges. We never like increases in charges and the agriculturist never likes any increases in charges. As I understand it, the objective is maximum utility, use of your rolling stock and so on to the greatest benefit of the nation and I do think that these increases in charges help in that direction in a way which nothing else can help. It is a misfortune of war which I think we must all bear. Now, although the revenue of the Railway which is not required for railway purposes immediately, goes to help in the general finances of Government, I think it is very important that we should continue to record their effect on railway finances correctly. I therefore very much welcome what the Honourable Sir Leonard Wilson said in his speech at page 43 in dealing with the question of wasting assets and depreciation. He says :—

“It must also be remembered that the contributions to the fund do not exceed the original cost of the wasting assets divided by the average life in years of the assets. The amount in the fund cannot, therefore, exceed the requirements for replacement and must

[Mr. R. H. Parker.]

in fact, fall short of those requirements if, as is usually the case"—and I emphasise those words "if as is usually the case"—the replacement cost exceeds the original cost".

Now, Sir, that is a very important point which has been discussed before, but it is really very difficult for me to understand why we do not correct that danger. The fact remains that the proper thing to do is to charge to your capital what you spend on your new asset and to charge to your depreciation fund only the cost of the asset which has been taken out of use. By that simple change we should be making our records more correct, we should know more exactly or more accurately where we stand after the war and I think we should do all we can to put ourselves in that position.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Will the Honourable Member repeat his suggestion ?

THE HONOURABLE MR. R. H. PARKER : That instead of charging the cost of a replacement to the depreciation fund—and that is done now except where there is a definite betterment I understand—the proper method is to charge the cost of any replacement to capital and to transfer by credit to capital and debit to depreciation the cost of the original asset which is being taken out of use. That leaves you with a correct item in capital of the cost of the assets you then have in use. I particularly draw attention to the fact that this does not affect the amount of the revenues of the Railways which now become available to the Government of India. It only corrects the recording and gives us a clearer view of what our position is.

Our satisfaction at the railway results must, as has already been said, be qualified by the fact that it is so largely at the expense of the taxpayer in India or the taxpayer in the United Kingdom. This does not, however, detract from the great value of the services rendered to the cause of us all and we have to congratulate those responsible for the control of the Railways for their efforts to assist in the securing of civilization.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, the phenomenal profits earned by the Indian Railways are due to the excessive growth in military traffic and to the ever-increasing supply of industrial products and also to the increase in rates and fares. In some quarters it is stated that these are the beneficial results of the war. I for myself would not even like to get surpluses for Railways at the cost of life and ruin of property and dislocation of administration in the world. However, Sir, the situation is there and we have to face it. The Honourable the Railway Member and the railway authorities have started propaganda in the country for less traffic. They have started this propaganda on the presumption that people in India indulge in luxurious travels. I submit, Sir, that this presumption is itself wrong. In a poor country like India people cannot afford to indulge in luxurious travel. It is only when it is necessary for one to travel that one undertakes a travel by railway. I quite agree and I quite see the point, Sir, that railway travel has to be curtailed in the interests of war effort. But I submit it is also the duty of the railway authorities to substitute another method of transport for the convenience of the public. The railway authorities admit that other methods of transport have been contracted to an embarrassing extent, and, if that is the position, I submit, Sir, that the Government ought to find out ways and means and suggest to the public other methods of transport which will relieve to some extent the hardship they have to undergo.

THE HONOURABLE THE PRESIDENT : What is the alternative you suggest?

THE HONOURABLE MR. V. V. KALIKAR : It is for the Government to suggest an alternative method and not for us.

Sir, the Railways have contributed to a very large extent to the general revenues during the last three years. I have no doubt it is a relief to some extent to the general taxpayer, but, Sir, the travelling public is entitled to some relief on that account. The travelling public expects that when the Railways are getting surplus every year during the last three years their burden should also be lessened. But, Sir, the railway authorities seem to be enamoured of adopting a policy of increasing the rates and fares. When they know they have not been able to suggest any other method of transport, when they know that the lorries and buses are being taken over by the Defence Department and when they know that there is no other method of transport in India the Railways ought to look to the hardships of the travelling public and, if they can get a surplus year after year, they have also to consider to lessen the burden by reducing fares and rates. But we see a quite different position. Now only as recently as 1940-41 the rates and fares were increased,—I believe in that year the Railways estimated a surplus of about Rs. 8.29 crores and they got a surplus of Rs. 18.46 crores,—and during the next two years they have estimated for a surplus of Rs. 26.20 crores for the current year and for the next year for a surplus of Rs. 27.95 crores. Admittedly, Sir, the surplus is phenomenal and the propaganda is there for less traffic, but, Sir, what consideration have the Railways paid to the hardships of the travelling public ? Let us take, for instance, the case of increasing the rate on smaller consignments of foodstuffs. My Honourable friend Sir A. P. Patro has voiced the grievances of the small agriculturist and I fully agree with him, Sir, that by increasing this rate you are not going in any way to relieve the burden of the poor agriculturist who has to take his produce to the market for getting a good price but you are encouraging the middleman. If anybody would gain by this it is the middleman and the merchant princes but not the poor agriculturist. The poor agriculturist could take his foodstuffs to the market by buses, by lorries, but that source has also been contracted, and this increase of two annas in a rupee on small consignments is going to increase his cost of transport and will not in any way bring more price to him. He will have to sell his foodstuffs in the village itself and get the price offered to him by a middleman.

Now, Sir, it is stated that on account of war efforts and on account of the railway stocks being used for increased military traffic, the Railways are not able to meet fully the demands of the public. My straight question to Railways is, who is responsible for this situation ? Of course, it is not only the war that is responsible for this situation but the policy of the Government that has been consistently followed for so many years is responsible for bringing about this situation.

Sir, let us take the case of building locomotives in India. The Central Legislature urged on the Government to start railway industries in India, but, owing to the pressure of a foreign Government, to which the Government of India is subordinate, they could not take up that scheme. In the beginning, Sir, the scheme was turned down on the ground that it would prove uneconomical. Then, Sir, when they found that their own Committee, a Committee of experts, reported that it would be not only economical but in the interest of the Indian Railways to build locomotives in India after the war, the scheme was turned down on the plea that plant and machinery is not

[Mr. V. V. Kalikar.]

available. In this connection, Sir, I would like to read an extract from the Report on the Construction of Locomotives in India in State Railway Workshops, by Messrs. Humphries and Srinivasan. On page 54 they say :—

“ The claims of this industry for priority of attention are perhaps stronger than those of most others that could have come up to the notice of the Economic Resources Board, and every facility will no doubt be afforded by the Supply and the War Transport Departments to enable the manufacture of locomotives being commenced without delay. ”

In paragraph 90 they say :—

“ All the steel work for the buildings, and some of the plant and equipment, that would be required, can be supplied by the engineering industry in India. Local representatives of three important manufacturing firms of machine tools, who have generally supplied the requirements of Indian Railways in this regard hitherto, have given us assurances that even under existing war conditions, deliveries of the machine tools that would be required for the new workshops could be guaranteed within the 15 to 18 months necessary for the new workshop to begin to function. It may also be stated that, despite the war and its check on seaborne trade, there has been heavy importation of machinery for India's main industries and that, in the first three months of hostilities, these purchases have been valued at no less than 250 lakhs of rupees ”.

So, Sir, it comes to this that even at the beginning of the war, if the Railways had a mind to start this industry in India, they would not have come to grief in this matter. I quite understand that they have to send locomotives, rails and other railway material overseas. But, if they had started this industry in India, they would have been able also to meet the local demand of the Indian Railways. If they had started this industry in India they would not have had to face the situation which confronts them now. Sir, private companies like the Tatas could manufacture rails and I am told that if they had been given encouragement, they would also have started the construction of locomotives in their factories. If private companies could undertake such an enterprise, it does not lie in the mouth of the Government to say that they could not get sufficient plant or that the construction of locomotives was an uneconomic proposition. If they had taken a long range view of the situation and had not cared for the vested interests of foreign countries, this problem would not have been very difficult for them to solve.

Then they say they want sacrifices on the part of the public. I quite agree that under the stress of war, in these hard times, the public has to make sacrifices. I concede this point. But I ask, are the railway authorities and the Government officials ready to make some sort of sacrifice also in that connection? Reference was made to the bogeys and saloons by previous speakers and I join with them in saying that the railway authorities have also to make some sacrifice by giving up travel in saloons when they expect sacrifices from the public. It is no use preaching ideals to the public while you yourself are not ready to undergo some sort of sacrifice. Let us take the case of wagons. I have never ventilated individual grievances here, but I think it is my duty to ventilate a general grievance of my province. In my part of the country we are not supplied with sufficient wagons for taking short staple cotton. We are not supplied with wagons for taking the orange crop to the market. Want of wagons has reduced the condition of the agriculturist to a very difficult position. He has spent much in getting his crop but he can not get the price for his crop for want of transport. In my province certain markets have been closed for want of wagons. Who is responsible for this state of affairs? Not only the war but also the short-sighted policy of the Government. I submit that the

Government ought to recognise these difficulties. They should not merely increase the rates and fares but they must see that the public, and particularly the agriculturists, do not suffer for want of transport.

Now, Sir, the various Departments of Government are attacked for under-estimation of revenue. Here is a clear case of under-estimation so far as the previous three years' Railway Budgets are concerned. If we look at the figures for the last three years,—the estimates, the revised estimates and the actuals,—we find that the revenues have been under-estimated. I leave it to the financial pandits of the Railways to state if this practice is to continue in future and whether it is the right system. Under-estimation of revenue causes a great resentment among the public when they find that though the Budget discloses a surplus, they are still confronted with further taxation.

The only bright feature in this Budget is the payment of dearness allowance to the railway employees. I congratulate the Honourable the Railway Member for taking this step, though late. But I submit that he should also take the necessary steps to remove the grievances of the public as far as possible so far as means of transport are concerned, and I hope that as the spokesman of the Government he will suggest some remedy for the transport problem by which the public will benefit to some extent, though not to the fullest extent.

Sir, I have nothing further to say except to suggest to the Government of India that even now, though late, they ought to take a long-range view of things and see that India is made self-sufficient in the matter of production of railway material.

THE HONOURABLE THE PRESIDENT : This is a convenient time to adjourn the House for Lunch.

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

The Council re-assembled after Lunch at Half Past Two of the Clock, the Honourable Sir David Devadoss in the Chair.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. Chairman, the times are abnormal and it is accordingly difficult to discuss the Railway Budget in accordance with accepted standards. In normal times the method of budgeting adopted by Government would have come in for severe criticism. I think it deserves criticism still. But if it has not received adequate attention at the hands of Members of the Legislature it is only due to a recognition of the fact that owing to the war the money required by Government must be provided in some way or other. Nevertheless I propose to say a word or two with regard to the estimates placed before us by Government during the last two years. I could go back even to the year 1939-40 and point out that while it was originally estimated that the surplus would be a little over Rs. 2 crores it turned out to be over Rs. 4 crores. But I am mainly concerned with the years 1940-41 and 1941-42. Now in the year 1940-41 a surplus of about Rs. 12 crores was expected. The exact figure was Rs. 11.83 crores. In the revised estimates the surplus was expected to rise to Rs. 14½ crores, but it has actually turned out to be Rs. 18½ crores. These large discrepancies I think require some explanation. To say that conditions are abnormal and accurate estimating is difficult is not in my opinion a sufficient explanation of the wide departure between the budget figures and the actual figures. Now take the current year 1941-42. The discrepancy between the budget and the revised estimates has gone beyond all bounds.

[Pandit Hirday Nath Kunzru.]

When the Budget was presented it was expected that the surplus would amount to, I think, about Rs. 12 crores; but it is actually more than Rs. 26 crores. There is a difference of Rs. 14 crores, and one cannot avoid the impression that there has been a deliberate under-estimating of revenue. Even fully allowing for the difficulties of the present time I cannot help feeling that the Government under-estimated the receipts and showed a caution which was not justified. I do not know what the next year will have in store for us. Our profits may not increase beyond the surplus expected by Government. Nevertheless we cannot but feel that during the last two years Government have not laid their cards on the table, and that they have been ultra cautious and have shown a caution not justified by facts.

This leads me on naturally to the increase in fares and rates proposed by Government. I do not want to go into any details in this connection, but I would like to add my protest to those of other members in this connection. You are having a surplus and a large surplus. What justification can you give at the present time for imposing extra burdens on traffic, whether goods or passenger? The justification for the increase in fares on the E. I. R. and N. W. R. is that even with the increases proposed they would be lower than on other lines. But Government themselves have never adopted a uniform standard of rates and fares on all lines. They have kept the lines distinct. They have not allowed even a uniform lead to be adopted in connection with passenger traffic. They cannot therefore fairly ask that the fares on the E. I. R. and the N. W. R. should be increased by however small an amount merely on the ground that the fares on other lines are higher. Their own policy debars them from putting forward such a justification. Again, Sir, take the case of the excess luggage charges. Here again I see no justification. So far as parcel rates are concerned there may be some justification if the Honourable Member wants to reduce the pressure on Railways. But why should the charges for excess luggage be enhanced by two annas in the rupee? The Railways have withdrawn a number of concessions, notably week-end concessions. One would have thought that that would reduce traffic appreciably. But not content with that the Honourable Member at a time when he has a large surplus and is budgeting for a still greater surplus proposes increases in rates and fares which would add about a crore to the revenue. I trust that my Honourable friend the Communications Member will have something more to say on this subject than he has said in his speech.

The other subject which I can naturally discuss in this connection is the curtailment of travelling facilities. This again is a subject which has been dealt with by other members. But I should like to say two things in this connection. The net cost of the lines that have been dismantled, that is, the difference between the actual cost and the amount to the credit of the dismantled lines in the depreciation fund has been debited to the revenues. One would like to know whether the dismantled lines have been utilised in this country or have been sent out of it. If they have been utilised for military purposes in this country, then the policy adopted by Government is perfectly justified. But if the lines have been sent out of India, I do not see how under the terms of the agreement arrived at between His Majesty's Government and the Government of India the net cost of the dismantled lines can be made a charge on our revenues. If the lines have not been used for military purposes in India the policy that has been pursued is not at all justified. And now a word, Sir, with regard to the dismantling of more lines in the future. We have 770 miles of railway

that have been torn up to the present time. Should the war come to India, I do not know what the extra strain on our Railways would be. It is necessary for Government therefore to exercise great caution in this matter and not to go on dismantling lines in order to send them out of the country. Further, Sir, I think the travelling facilities open to the public should not be reduced any further unless there is unquestionable justification for it.

In this connection, Sir, I cannot help saying a word about the short-sighted policy pursued by Government in regard to the building up of railway industries. The building of locomotives has already been referred to by some Members. I feel that if the Government had been in earnest, it would have been possible for them to take up the construction of locomotives even in 1940. I know that the workshop which was to be used for the construction of locomotives is being entirely used for war work. But is not the task of providing the country with adequate means of transport a matter of importance and of serious importance in war time? Every country is trying to develop its means of transport. It is on the means of transport that our ability to send men and supplies to the place where they are required will depend. We heard a great deal about the difficulties of the Railways in this connection, but had the Railways at all taken account of the harm that they had done to India by their reactionary policy, I think that they would notwithstanding the difficulties in their way have been prepared to do something in order to start the locomotive industry here. Other countries have in spite of the war started new industries. Machinery has been sent to the countries concerned from outside, from England and America. Why could not we have got the necessary machinery? We might have got it not merely from England and America but also from Australia which perhaps would have been more willing to send it than other countries. Again, Sir, the policy pursued by the Railway has been harmful to us in other respects. I do not propose to go into detail on this question, but the production of machine tools is such an important thing that I cannot help referring to it in this connection. The Railways themselves as the users of a large amount of manufactured material should have been vitally interested in the making of machine tools. Had they acted with foresight, had they adopted a liberal policy in this respect, had they thought less of British vested interests and more of the future interests of this country, they would have been able to build up a machine tool industry which would have been useful not merely to them but to the country at large. The absence of such industries in my opinion is the reason why Government find themselves in a serious difficulty. When I read the paragraphs with regard to the difficulty of supplying materials for renewals and building even metre gauge locomotives, I thought of the Report of the Acworth Committee. I felt as if I were reading those pages of the Acworth Committee's Report which described the disorganisation that occurred owing to the last war. How have the Government profited by the experience of the last 25 years? On account of the separation of railway from general finances owing to the recommendations of the Acworth Committee a depreciation fund has been built up, but I do not see that in other essential respects the policy adopted by the Railways has been more liberal and bolder than it was before the Acworth Committee reported.

Sir, there is one other subject to which I personally attach great importance. I referred last year to the importance of acquiring the B.N.W.R. and R.K.R. My Honourable friend the Communications Member expressed his views on this point freely in his speech in connection with the Railway Budget and with a modesty which looked like pessimism, he disavowed his faith in bureaucratic competence and said that it was considerably less than

[Pandit Hirday Nath Kunzru.]

that evinced by those who are so constant in asking the railway authorities to undertake new tasks. I was afraid, and seriously afraid, that the views expressed by the Honourable Member boded no good to the country, but the infusion of new blood into the Executive Council it seems has tended to remove the Honourable Member's pessimism and to make his heart-beats stronger. This is a matter, Sir, for which I think the expanded Executive Council deserves full credit, and we are all sincerely glad that these two lines will be acquired by Government. But I venture to go further and to urge Government to follow a bolder policy, and to make use of the resources at their disposal in order to acquire the two remaining important lines, the M.S.M.R. and S. I. R. the companies managing which will have to be paid only about £6 million. I know that their contracts can be terminated in the natural course of things only in 1945, but there is no reason why we should not make every effort we can to acquire these Railways now. We shall certainly need the good offices of the British Government in this connection, but I hope that they will not lend a deaf ear to our request. Perhaps both the Railway Department and the Finance Department are putting their heads together and considering how the large amount of gold to the credit of India in England can be utilised in the best interests of the country. I think we should take advantage of the present opportunity to acquire these Railways and then to introduce the economies which would result from a unification of the management of these lines, but, apart from this, I frankly confess that to me, and probably to all non-official Members of this House, it will be a source of great satisfaction if all the important railway lines in this country, which are State-owned, are brought under State-management. We have no reason to suppose that contrary to what has happened in the past the capacity of the Railway Board for administering new lines will deteriorate and that the Railway Administration will suffer because of the addition of two important lines to the charge of the Railway Board.

Sir, there is just one word more I should like to say before I sit down. The Chief Commissioner for Railways has dealt with the question of the depreciation fund in his speech and my Honourable friend Mr. Parker also referred to it. Mr. Parker took a view, with which I am personally in great sympathy, but that is not the question that I want to deal with today. I am more concerned with the observations of the Chief Commissioner who has tried to show that the amount to the credit of the depreciation fund is not unduly large. Now I am not disposed to under-rate the importance of having an adequate depreciation fund. We have no interest whatsoever in keeping railway finances in a weak condition. The Railways are among our most important assets and we have every interest, therefore, not merely in maintaining their strength but in increasing it, but it seems to me that the view taken by the Chief Commissioner of the financial position of the Railways is rather pessimistic. We shall have I think at the end of next year a little over 64 crores in the depreciation fund; I mean that will be the money actually available. Now I think it would be pertinent if I referred in this connection to the observations made by the Wedgwood Committee, that is the Railway Enquiry Committee. It suggested that there should be a balance of about Rs. 30 crores in the depreciation fund, but it also suggested at the same time that a reserve fund should be built up and that it should be allowed to reach a total of Rs. 50 crores. In other words it recommended that there should be a sum of Rs. 80 crores at the disposal of the Railways so that they might be able to deal with future emergencies. We have fourth-fifths of that sum. I am aware of the fact that there has been an appreciable underspending during the last few years, but, even so, our position

will be immensely better than it was when Sir Raghavendra Rau comprehensively reviewed the railway finances in connection with his Report for the year 1934-35. There is no cause for pessimism. I attach importance to this matter because of an observation made by my Honourable friend the Communications Member in regard to the need for deciding how the surpluses accruing to the Railways should be distributed between the general and railway revenues at least during the currency of the war. These were the words used by my Honourable friend :—

“ If the present conditions appear likely to continue after 1942-43 a new situation will be created. For the taxpayer will still have a strong claim in equity to substantial relief from railway revenues, but there will be no debt against which any payments outside the Convention can be set. We are therefore asking the House to renew the moratorium for only one year. This will make it necessary to put before you in the course of the year proposals involving a revised arrangement regarding the division of the surplus ”.

I note that the Communications Member is anxious that our revenues should get the full benefit of the railway surpluses at the present time. But if the whole question of the future division of the surpluses between the general and railway revenues and the size of the depreciation fund are to be considered, I strongly suggest that Government should appoint a committee of the Legislature to consider the matter. These weighty problems should not be decided by them merely in consultation with railway or financial experts. This is a matter in which the Legislature is keenly and vitally interested and if it is going to be considered, the representatives of the Legislature should be associated with any inquiry that may be made before a scheme is formulated.

Sir, these are all the suggestions that I have to place before my Honourable friend the Communications Member. I have, however, been asked to say just one word with regard to the undesirable practice of giving extensions of service to officers who are to retire or of re-employing them. I have personally no objection to this practice. But the men who are to retire should realise that they have had their day and if they are anxious to help the State, they should not ask to be continued in the high offices that they hold at present. Retired officers of the I.M.S., both in England and in India, have accepted junior positions in order that the men already in service should have a chance of rising to higher positions. I understand that this consideration has not been borne in mind by the Railway authorities and I make this observation particularly because the term of the Agent of the E.I.R. is about to expire. There are meritorious Indian officers who may aspire to succeed him. But whether there are senior Indians capable of rising to that position or not, I think other people, if capable and senior, should be allowed a chance of rising to the highest position in the E.I.R.

Sir, this is all that I have to say and I trust that my Honourable friend the Communications Member will be able to assure us that even during the currency of the war, the Railway Department will be prepared to look ahead to a greater extent and to consult the interests of India more carefully than it has done up to the present time. Further, if it is called upon to make a larger contribution to the general revenues, it should tell the Finance Member that the Railways cannot be allowed to be looked upon, contrary to the advice of the Acworth Committee, as a means of adding to the general revenues. If Government want more money, let the Finance Member impose additional taxation, but let not the Railways, which are concerned with the poorest men who are their main customers, impose additional burdens in order to provide the Finance Member with the money that he needs.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Mr. Chairman, before I make any observations on the Railway Budget, perhaps you will allow me to refer to the Khaga accident and also the accident at Tundla and I believe at Cheoki near Allahabad. The Khaga accident particularly was a severe one. I do not know, Sir, what the cause of that accident was or what the facts, as gathered by the Government Inspector, are. I do not think that the Government Inspector of Railways has yet published his report. But I am sure the House would like to express its deep sympathy with the sufferers of that accident and I do hope that the Honourable the Communications Member will be pleased to give us such information in this debate as may be in his possession in regard to the cause and nature of that accident.

Sir, we have to consider this Budget against the background of the present world war which has come to the very doors of India. This huge surplus, a surplus like which we have never had before, is a reflection of the war conditions prevailing in the country. The demands on the Railways have increased, military traffic has been on an unprecedented scale, supplies have been produced at an ever increasing speed, industries particularly connected with the war have expanded speedily and alternative means of transport have contracted to an increasing extent. The travelling public has had to face great difficulties, and railway services have been curtailed and are being curtailed and business men find it difficult to get wagons in adequate numbers for the carriage of their goods. We have to employ our rolling stock and rails for military purposes generally and replacements are difficult. Now, Sir, it occurs to me that if our Railway Administration had been more far-sighted in the past some of the difficulties that we are encountering might have been avoided. We on many an occasion in this House, and I think in the other place, pleaded for the establishment of a locomotive industry. But Government was firm in its view that it was not possible to start, without much greater consideration than had been given to the question, a locomotive industry in this country. If that industry had been established in 1940 I venture to think that the transport system of this country would have been able to make a more effective contribution not only to the general prosperity of India but also to India's war effort. Therefore, I confess that I am not impressed with this huge surplus. I do not regard it as a matter for particular congratulation. Feverish troop movements and the transport of war materials have helped very largely to swell up the revenues of the Railways. There is one criticism however which I think it is difficult for the Administration to escape. There has been under-estimating during the last two years. In 1941-42 the estimated revenue was Rs. 11.83 crores; the revised estimate proved to be Rs. 26.20 crores. In 1940-41 the estimated revenue was Rs. 8.29 crores, the revised was Rs. 14.69 crores and the actuals proved to be Rs. 18.46 crores. In 1939-40, the estimated revenue was Rs. 2.13 crores, the revised estimate was Rs. 3.61 crores and the actual proved to be Rs. 4.33 crores. Therefore the actual realisations for the years 1939-40 and 1940-41 have been more than double the original estimates. Why is there this difference between the estimated and the revised figures? I think the Railway Department has in estimating its revenue been far too cautious and its estimates have been far too conservative.

Now, I would like to say a few words on the question of the increase of fares and freights. There is no getting away from the fact that we have a huge surplus. There is no *prima facie* necessity for increasing freights and fares. The Honourable the Communications Member says that we have to think in times of prosperity of the lean years and it will not be wise for us to increase

freights and fares in lean years, we must increase them now and we must have as far as possible one uniform rate of freights and fares. The fares according to him are lower on the E. I. R. and N. W. R. than on other Railways. Therefore, he is trying to approximate them to the fares on other Railways. Well, Sir, when did the Honourable the Communications Member discover that there was this disparity between the fares on the East Indian and North Western and the other Railways?

THE HONOURABLE SIR ANDREW CLOW : I think it was about a year ago, or rather more.

THE HONOURABLE MR. P. N. SAPRU : Has it ever occurred to the Honourable the Communications Member that there are amenities which some Railways provide and which other Railways do not provide? Until a few months back the E. I. R. used to issue weekly return tickets. They have been stopped. I believe that there is a system of circular tickets on the G.I.P.R. and the B.B.C.I.R. Then you can get those tickets in coupon books—I do not know the exact name—which you can use for travelling anywhere you like for 3,000 miles. Those tickets are meant for commercial people. Well, the E.I.R. has no such system. If you want to have one uniform rate of fares and freights then you must have uniformity in other directions also. Other facilities and amenities must also be uniform. The fact of the matter is that these fares and freights have been increased not to increase the amenities of railway passengers, not because railway finances require such increase, but because the Railways have to make a contribution to general revenues, because the burden on the general taxpayer must be eased by the Railways making a contribution to the general revenues during war time. Therefore, this is indirect taxation for war purposes. Now, Sir, let me be quite frank about the matter. Indirect taxation of this type is I think the worst form of taxation that you can think of. It will not hit the rich man only. It will hit the poor man also. So far as this form of taxation is concerned—it is taxation, you may call it fares and freight and so on—the object is to get the Railways to contribute to the general revenues in order that the expenditure on defence might be to some extent met by contribution from the Railways. It is therefore taxation. Now this taxation will hit the poor more than the rich. The great majority of our travellers are third class or interclass travellers. I know there is some exemption in the case of third class travellers. Even so, they will be hit hard by it and they will be hit hard by it at a time of rise in prices and at a time when other facilities for travel have been curtailed on account of petrol rationing. There is no fear today of road-rail competition and the poor man if he has got to make the journey cannot use any other form of transport. Further, Sir, there will be no equality of sacrifice so far as travellers on the Railways are concerned. There are men who can afford to travel first class in this country but who travel intermediate class. They will by travelling intermediate class contribute less to the general revenues than the man who because of his economic condition cannot travel more than intermediate class. Therefore, the burden will fall unequally on the various classes who use the Railways; and all this you are doing at a time of rise in prices. You are trying to attempt the experiment of controlling prices. There is shortage of foodstuff and grain in some parts of the country. I know that the rate for wagons carrying foodstuffs is very slight. Even so, the general tendency will be for these prices to shoot up and you will not thereby be helping in the control of prices so far as many parts of the country are concerned. Now, you want the man who uses the Railways to pay you more than he was paying before in fares, but you do not want to increase the amenities and facilities that he was enjoying. In fact you want to curtail those

[Mr. P. N. Sapru.] facilities. You want to reduce those amenities. The number of trains has been reduced. I do not know whether the saloons of officers have been reduced. I find them often when I travel; I find some saloon or other attached to an express or passenger train. First and second class passes that you issue to your railway servants have not been reduced and I assure you that some of them are very inconvenient passengers, because they like to have the best seats and they like to lord over people who are travelling in first and second class carriages. You do not want to reduce the facilities that you are giving to your employees. You want to reduce the facilities which poor men are enjoying today and you want to reduce these facilities at a time when the question of evacuation from certain towns owing to the possibility of those towns being bombed by Japanese bombers has become an actual reality in this country. The Honourable the Communications Member stated in his Budget Speech that the Railways have had to evacuate or have had to help in the evacuation of five lakhs of people from Calcutta. God forbid that it should so happen, but assuming that it becomes necessary for you to evacuate Madras or Bombay or assuming that other towns come within the danger zone, what will happen? So far as the rich man is concerned he will, because he travels in a higher class and because he can afford to pay higher fares, be able to get with some difficulty or with perhaps great difficulty accommodation. So far as the poor man is concerned, he already finds third class carriages overcrowded. Because you have restricted your passenger and express trains he will not be able to find accommodation at all. Therefore this Government which is professing to fight a war for freedom and social justice and democracy considers it necessary at this time to increase freights and fares which will hit the poor man and which will not enable him to save his life and property in times of danger and crisis.

(At this stage the Honourable the President resumed the Chair.)

I therefore on these general grounds consider this taxation a most obnoxious form of taxation and it is amazing that it should be within the power of the executive in any normal country to legislate by executive fiat a form of indirect taxation which will have far-reaching consequences so far as the poorer section of the community is concerned. Therefore, I do not hesitate to say that I am completely, entirely, wholly opposed to the increase in freights and fares. No case has been made out for it whatever.

Then, Sir, passing on from this question of freights and fares to the question of dismantling of lines I should like to ask the Honourable the Communications Member whether this policy of dismantling lines has been followed by the other British Dominions also. Where, to what centres of the theatres of war have these dismantled lines been sent? Are they being utilised for military purposes in India or have they been sent to the Middle East or to other theatres of war and, if they have been sent to the Middle East or to the other theatres of war, who is going to pay—what is going to be the responsibility of His Majesty's Government—so far as the cost or the price of these dismantled lines is concerned?

Now, Sir, it is amazing that action on these lines should have been taken and continues to be taken, in spite of the protest of the Legislature, by the executive Government without any reference to the Legislature. Last year a member, a respected Indian leader who is a member of the executive Government today, described this dismantling business as an act of vandalism. Have his views changed since he became a member of the Government of India? I cannot believe that they have? I should like him and other Indian member

to put their foot down upon this policy and consider the effects of this policy so far as the poor man, the agriculturist, the producer, is concerned. You have given him no facility for travel; you have, in fact, reduced his facilities for travel, for marketing his goods and so on by dismantling these lines and by petrol rationing also you have reduced his capacity to get a fair price for his produce. You have placed him in the hands of the middle man, and you go on dismantling lines. He can't get now the services of the motor bus also; all this in the name of Britain's war effort in India, war effort in which Indians have no adequate share or lot.

AN HONOURABLE MEMBER: They have a big share.

THE HONOURABLE THE PRESIDENT: Is it necessary to obtain the sanction of the Legislature?

THE HONOURABLE MR. P. N. SAPRU: I was thinking of normal countries. I was not thinking of abnormal countries, an abnormal executive Government and abnormal systems. I was thinking of normal systems of government and I venture to maintain that under a normal system of government the Government ought to obtain sanction of the Legislature.

THE HONOURABLE THE PRESIDENT: I am not aware of it. Probably you know better.

THE HONOURABLE MR. P. N. SAPRU: Sir, we shall agree to differ.

Then, Sir, I should like to associate myself with what Dr. Kunzru said in regard to the continuance in employment in positions they were originally occupying of men who have reached the age of retirement. Sir, perhaps the Chief Commissioner for Railways or the Honourable the Communications Member will tell us whether it is a fact that the General Manager of the E. I. R. is about to retire and that the officers who can in a normal case succeed him happen to be Indians and whether it is contemplated, or it has been arranged, to give him extension in the name of war effort, efficiency and so on? Now I associate myself with Dr. Kunzru's point of view. If it is considered to retain his services for some purposes well let them be retained in some other position but let not the promotion of men who have earned their right to promotion be disturbed by giving him an extension. Sir, our British civil servants have always told us that we must respect covenants and service rights. Whenever any covenant of theirs or any contract of service of theirs is violated, or is threatened to be violated, they raise an outcry but it does not occur to them that men who are in service and who have in the normal course achieved a certain position and who are looking forward to the reasonable expectation of attaining the highest position that is open to them in their service can also have a legitimate grievance if in the name of efficiency or war emergency or some other word—the English language is full of many words and I cannot think of all of them at this moment—they are deprived of their normal expectations. Therefore, Sir, it is an important question, and I hope, Sir, that this practice of extending the terms of men who are about to retire shall be discontinued.

I should have liked to say something, Sir, about the Indianization of the railway services but I would not like to go very deeply into that question, but I find, Sir, that the position in regard to the various communities is somewhat as follows: Europeans (State-managed railways)—I am talking of

[Mr. P. N. Sapru.]

Gazetted officers—38·86 per cent. In Company-managed railways their representation is 48·22 per cent. Their total representation is 43·15 per cent. Hindus have got 35·75 per cent. representation in State-managed railways. In Company-managed railways they have got 29·38 per cent. Their total representation is 32·83 per cent.; that is to say the majority community has got much less than the Europeans in this country. The Muslims have got 8·46 per cent. in State-managed Railways, and 7·64 per cent. in Company-managed railways, and their total representation in the railways is 8·9 per cent. A community which has a population of 25 per cent. in the country is to be content with 8·9 per cent. representation in the railway services for the reason that the Anglo-Indians have got to be provided for. The Anglo-Indians and the so-called domiciled Europeans have got 10·36 per cent. in State-managed railways and 8·43 per cent. in Company-managed railways and their total representation is 9·48 per cent. Where is the justice in all these arrangements? All these years we have been hearing of Britain's desire to do justice to all communities, Britain's impartiality and all that. Where is the impartiality, where is the justice, in all these arrangements? A community which does not even form one per cent. of the population in this country has got 9·48 per cent. representation on the Railways. I think it is a scandalous state of affairs. I have got a great deal of sympathy with the Anglo-Indian community. I do not want to be hard on that community. But I think if we must speak in terms of communities, there ought to be some fairness in the distribution of these railway appointments. Therefore, I cannot look upon the policy of the Railway Administration towards the general question of Indianization as in the slightest degree satisfactory.

Well, Sir, these are the observations that occur to me on this Railway Budget. The surplus in no way reflects general prosperity. If you want to know whether the country is prosperous or not, go to the countryside, go to the slummy parts of the towns, ask the hard worked, poorly paid clerks in your offices, who cannot make their both ends meet. It is all right for a dominant Imperialism to talk in terms of prosperity. But we, children of the soil, know that there is in fact no prosperity in the country. The Railway Administration may be efficient from a mechanical point of view. But it has failed to provide what it should have provided, namely, adequate facilities for the free flow of trade, for travel under decent and tolerable conditions of life and for affording employment to the children of the soil. Sir, I cannot congratulate the Honourable the Communications Member on the Budget that he has presented.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan): Sir, time is very short and the Railway Budget is such that many kinds of criticism can be levelled at it. The Honourable speakers who preceded me have said a good deal about certain points. I would like to omit many of them, although I had intended, if I had time, to throw some light on them. I associate myself with all that has been said by the Honourable speakers on this side. I will take a very few points, and will take only a very short time. It is quite true that the policy adopted by the Railways is thoroughly anti-Indian. The figures which the Honourable Member who just spoke has given as to the percentages in the gazetted ranks do not show the fairness so propagated by the rulers. But I think their faces ought to hang with shame when they say that they are dealing with everybody in the country fairly and justly. In this connection I would mention

the extension of the terms of service of the retiring officers. Some of them are merely to block the Indians who are expected to come to their place. The Honourable Member who has just spoken has asked the Honourable the Communications Member to say whether there are Indians who can rightly come up after the retirement of the General Manager and the Chief Engineer. According to the information I have, there are two Indians who are rightly to succeed after the General Manager and the Chief Engineer retire. Don't they see that this causes injustice not to one or two men, but to dozens of men? Do they consider giving extensions to those officers also who, because of the extension to one officer, will never be able to get a chance of realising their ambition? If these officers have to retire in a year, there will be no question of giving them extension. In one year there would be a difference to an officer of nearly Rs. 25,000. When he has served the Department loyally, and given the best of his life, at the end of his service, when he is to get a benefit of nearly Rs. 25,000, he is blocked simply because a certain gentleman has to be retained. If you are so enamoured of his efficiency, retain him in a temporary special appointment in some department of war—and there are many such departments—for which efficient men are required. Take, for instance, the next officer for either the General Managership or the post of Chief Engineer. He is in the grade of Rs. 1,900. Immediately he goes up he gets Rs. 3,000. For one year that means nearly Rs. 13,000, and then if he has to retire after one year he gets four months leave on full pay and 18 months on half pay. That means another few thousands of rupees, and in the same proportion his gratuity and provident fund is increased. Will not therefore the heart of that man ache at the injustice done to him if he is kept out of his promotion? This matter came up before in the United Provinces in other services immediately after the war was declared. Some of the retired Deputy Collectors were called back for service and there was a great hallaballoo, and the United Provinces Government has stopped all these retired men coming in to block the posts which the tehsildars might have got. I would request in the name of fair play and justice, if that still exists in the world, that these extensions must be stopped. The argument that most of the officers have gone into war service is absolutely unsupportable. Most of the people who have gone on war service are young men. There are these older men who are on the verge of retirement and have just a year or two to serve. Why should they be deprived of their just dues? Sometimes it is said that it is due to want of efficiency. If in 30 years service the railway cannot produce efficient men who can take charge of the top posts, it does no credit to the people responsible. Therefore, I would strongly urge that this policy of extensions must be abandoned.

The next thing I want to say a few words on is the policy which was condemned by the Central Advisory Committee and also accepted by the Department of giving a monopoly to contractors on the railway. You may call a monopoly by any name you like, but if you do things which amount to a monopoly it is just as bad as granting a monopoly in its strict sense. The General Manager of the E. I. R. about two years ago brought forward a scheme for giving the catering contract—in fact he said a monopoly of the catering—to one man for the whole line. He put it before the Advisory Committee for opinion. That matter was brought up in both the Houses. It was talked over as well in the Central Advisory Committee and almost everybody in that Committee was opposed to giving any monopoly to any contractor. The Railway Department saw the justice of it and accepted that no monopoly should be given. Just before that notice was given to petty vendors on various important stations, sweetmeat sellers and others who had been holding the

[Haji Syed Muhammad Husain.]

contract in those places for generations, to terminate their contracts within one month. And why? Because Mr. Ballabhdas Eshwardas had to be given that contract. It was with the greatest difficulty that those notices were kept in abeyance. And what happened was that, before acceptance by the Railway Board of the recommendation of the Central Advisory Committee and the issue of instructions in that behalf, almost all the contracts for eatables of all kinds were given to that one man and he has held it. Hundreds of those small vendors, whose families were provided for only by serving the railway for generations, have been thrown out of work. And this gentleman Mr. Ballabhdas Eshwardas has been given contracts not only for refreshment rooms but for all kinds of catering, sweetmeats, *purees* and fruits. Half the contracts of the people selling fruits have been taken away and given to this gentleman. Not only this, but new things have been created merely for the sake of Ballabhdas Eshwardas. As regards the grain shops on the E.I.R., I know that the answer to a question of mine about contracts therefor was in the negative. Technically that may be right, as the question was put. But in fact if it was not a contract for the public it was a sole monopoly for opening grain shops at Lucknow to be used by all the railway employees there, and the *baniyas* who had been living on that employment all this time were thrown out. Why this favoritism to one man? Is it consistent with the instructions issued by the Railway Department? Does anybody know whether those instructions are flouted or not? As a matter of fact they are. If the Department will really seek information the facts will prove indefensible. Therefore, I would very strongly urge upon the Honourable the Communications Member to see that the recommendations in respect of catering which they have accepted are strictly followed in the letter and the spirit.

The third thing that I want to mention in a few words is the treatment in this Department of the Mussalmans and I wish to draw the attention of the Communications Member to this. The time is really ripe when instead of turning a deaf ear to the representations made so many times and in so many ways some redress should be given and particularly now when the goodwill of Indians is all the more necessary anti-Indian feeling must necessarily be as little practised as possible, so that the situation may not be aggravated by discontented people. It will be the fault not of the people but it will be the fault of those who are responsible for this policy if worse happened.

THE HONOURABLE SIR ANDREW CLOW (Communications Member): Sir, we have had a debate which has ranged from very great matters to very small. I propose to deal with the more important matters and I hope that I shall be excused if I do not venture on to the discussion of whether a particular gentleman should hold a particular contract and matters of that kind. As many Members have remarked, the Budget has displayed a phenomenal surplus. Sir A. P. Patro observed that this was not due to wise or careful management but it was due to the war. I would be the last to claim that the efficiency of the Railways should be measured by the surplus or deficit that they produce, although I would remark that that test was applied to them by a good many Members no longer with us in this House when the dark days of the economic depression were here. At the same time I feel sure that Sir A. P. Patro will realise that management plays a pretty large part in it too and that if we had a foolish or careless management we would certainly not have the surplus that is presented today. The Honourable Mr. Hossain

Imam said that it did not reflect genuine prosperity. I would not venture on that field, but as the Honourable Mr. Dalal reminded the House it does represent additional exertions. The surplus and indeed our revenue represents additional work done by an immense army of men. The Honourable Mr. Sapru said that I had underestimated the revenue in two or three successive years. That is true. The Honourable Pandit Kunzru, I regret to say, said that I deliberately underestimated. That is quite untrue and a charge which I was very sorry to hear him bring—that I was deceiving the House by deliberately not putting my “cards on the table”.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: May I say, Sir, that the Honourable Member is exaggerating it. It is not unusual in this House to say that the Government are guilty of underestimating revenue. My remark certainly was not personal and there was not the slightest justification for the Honourable Member regarding it as an accusation against him personally.

THE HONOURABLE SIR ANDREW CLOW: To say that I am underestimating is a perfectly legitimate charge and one to which I plead guilty. To say that I am—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: That has been done repeatedly.

THE HONOURABLE SIR ANDREW CLOW: To say that I am deliberately doing it, in other words, that I am putting in the Budget a figure which I know is not a correct figure is a very different charge indeed. Actually I looked up the Honourable Member's speech last year to see if he gave us any indication that the figure I then presented was far below what was likely to be realised and I failed to find it. I did warn the House at the time and explained to the House the difficulties I had in presenting them, difficulties which I feel sure my Honourable friend will realise on reflection are very real. I think he himself in the course of his speech said “I do not know what the next year holds for us”. I am in exactly the same position. I do not know what the next year holds for us and my estimates might all differ quite a long way in the wrong direction. Last year I said:—

“In framing the estimates for next year we are confronted with difficulties at least as great as those which faced us last year. We are living in a time when prophecy is particularly hazardous. No one in this House, I imagine, foresaw with any approach to accuracy the main events in the international sphere during the last year, and the only certainty is that the war has not exhausted the surprises it can bring”.

We have tried as far as possible to estimate on the known factors. I have in another place given public warning this year that although we have worked on the known factors I think the chances are greater that the surplus would be less than that it would be more than the estimate for next year. But I am in exactly the same position as the Honourable Pandit of being unable to foresee the future and I can assure him that I have not at any stage deliberately given figures which did not represent what I believed to be the real position. Actually what we did last year was to take the rate at which we had been earning and assume the same rate making a small reduction for certain small factors. This year we have gone on the same principle, but we live in an age of cataclysms and that may be falsified long before the year is out. I think if my Honourable friend will carry his memory back a few years he will remember that one of my predecessors living in times of peace was out by about Rs. 10 crores the wrong way twice running. That was no blame to him.

[Sir Andrew Clow.]

It simply meant that events which he had not foreseen and could not reasonably have foreseen came in to falsify his estimate. Nor is there really any reason why we should indulge in labouring on the statement; we gain no advantage therefrom, but only the discredit of being rather poor estimators.

I would like to turn from that to the question raised by a number of Honourable Members of the depreciation position. I recognise its importance and there have been several thoughtful contributions today by the Honourable Mr. Parker, by the Honourable Pandit Kunzru and others. Mr. Parker put forward the suggestion that when we replace assets we should debit the depreciation fund with the cost of the original asset and we should debit the remainder of the cost—and there nearly always is a remainder—to capital. I think there is a great deal to be said logically for that view. It was actually the procedure which we did adopt up to 1935-36 when in response to criticisms we altered our procedure. One effect of course was that our capital was constantly rising without any necessary increase in earning power and I think that was an objection of some validity to the scheme we then adopted. Speaking entirely as a layman, I should prefer to debit the original cost to the depreciation fund and the rest to revenue. But I am not sure that my own financial officers would support that course and this is a matter in which I feel it is safer to be guided by the experts than to put forward my own untutored view. Actually our present system does give rise to the difficulty on which the Chief Commissioner dwelt in his speech, that when we come to replace the asset the whole money simply is not there. A cure for that is to put more money into the depreciation fund which in that respect and in another important respect, the lack of any provision for obsolescence, falls short of what there should be in it. There is still a third respect, because it started only a few years ago and nothing was put into it at the start to represent the depreciation on those assets which had already served for a great many years, so that I am fairly clear in my own mind that so far from this fund having too much in it, or so far from there being any reason to be optimistic as the Honourable Pandit Kunzru suggested, is concerned, it has, on the whole, too little in it, and there will be little ground for complacency until it stands at a higher figure than we see now.

The Honourable Pandit Kunzru referred quite rightly to the Wedgwood Committee Report, but the last word does not rest with them, and it must be remembered that they were not contemplating a great war when the opportunities of replacement are necessarily severely restricted. As the Honourable Mr. Dalal reminded the House, war-time prosperity may be followed by a post-war slump and it is important that we should not repeat the errors of the last war when the Railways were faced with the necessity of rehabilitation on a large scale and the money was not there.

We have been accused, Sir, of lack of foresight by some Honourable Members, with special reference to the manufacture of locomotives. I am not going over the line of past history. I believe myself that the policy followed in the early years of ordering from abroad was probably a wise one in the circumstances. I have no doubt myself that we shall construct locomotives in the future, but I do not believe that, even if we had a locomotive factory in India today, we would have been in a very much better position. We have a factory equipped for constructing locomotives, both metre-gauge and broad-gauge locomotives, at Ajmer, and though on a limited scale of work, we are unable to make any substantial progress because of the lack of certain materials that have to be imported. The same difficulty confronts all the

important countries that are at war. It is perfectly true that in some respects we have suffered from lack of foresight but is that not true of every one of us? I wonder if there is any one of us who thought in 1934-35 that we should be at war in 1939 and would now be right in the middle of a great war of this dimension and be faced with difficulties with which we are now confronted. Certainly the discussions which used to take place then on the defence estimates give very little indication that that was the general view. Had we foreseen the future—even a future of three or four years ahead—I believe that in some respects our policy and that of all other democratic countries in the world would have been very different in the pre-war years.

Now I come to the question of the increases in fares and freights. I think there is a little misunderstanding of what we are actually doing. I think I heard a suggestion in a speech of some Honourable Member that we were singling out foodgrains for exceptionally harsh treatment. Actually the fact is that we put an increase of two annas in the rupee on most commodities at the beginning of the war but especially excepted foodgrains, rather in the hope, that we should thereby be doing our bit towards preventing a rise in the prices of foodstuffs. Even now we are maintaining in respect of foodgrains the pre-war rate for the full wagon load and we are putting an extra charge on consignments of less than a wagon. Even that is not quite an accurate statement of the position because we allow three separate consignments in one wagon, and I am told that the charge amounts for a distance of 370 miles to one anna per maund. On the strength of this we have been accused of blighting the prospects of agriculturists and seriously interfering with rural economy. It is not in my experience that the agriculturist sends his grains by rail over long distances to the market even at the present time, and we are reaching a stage when I am afraid it is going to be extremely difficult for us to go on carrying goods for short distances. It is not primarily to raise half a crore as some Honourable Member suggested. We are doing it in order to secure better use of our wagons at a time when we are finding it difficult to get wagons for the goods. I hope that on reflection the House will agree that that is a laudable object.

As regards the increase in fares I was asked when I had discovered the differences. Well I mentioned it as a possibility on the E.I.R. in my Budget Speech a year ago and shortly before that it was brought to my notice that on that Railway at least fares were lower than they were elsewhere. It is not the case, as the Honourable Mr. Hossain Imam suggested, of our singling out the E.I.R. for a special burden. As he said almost immediately afterwards this is a public utility service, and there is no obvious reason why that Railway should not bear a fair share of the burden.

The Honourable Mr. Sapru suggested that amenities differed from railway to railway. They differ somewhat; but I do not think that the N.W.R. and E.I.R. in general are any whit behind in providing amenities given on the other State-managed lines. Actually we are in a position in which if we followed I think a strictly commercial policy we should not put on this extremely small increase but should raise passenger fares generally throughout India.

I turn now to certain questions affecting the staff. The Honourable Mr. Parker referred to our war allowances and the effect of increased wages on inflation. That is an extremely difficult subject into which I do not think I can venture to go. It is rather a subject that might come up for discussion on the General Budget. Although we have given war allowances, probably on a more substantial scale than have been given to Government servants in

[Sir Andrew Clow.]

any other department, I do not think that the amounts we have been disbursing in themselves have any large effect and we have, of course, been in many cases only following private employers. But I fully recognise that this question of increased purchasing power at a time when the supply of goods is not necessarily increased has its dangers and it is as well to be reminded of that fact. The Honourable Mr. Parker suggested that we might give future benefits in the form of deferred expenditure. Well, we are doing that to a very small extent by extending the benefit of the Provident Fund but it is an extremely difficult thing to do at a time when the staff are confronted with a definite rise in prices and when certainly among the more poorly paid staff the men tend to live up to the standard of their wages. To give a benefit which is only going to accrue after the war means that these men must tighten their belts and that is a hard thing for them.

Several Honourable Members referred to the difficult question of extensions of service to officers and reference was made to one particular case. I do not like canvassing the claims or dealing with the claims of individual officers in a House of this kind. But the Chief Commissioner, asked a question in respect of the General Manager of the E.I.R., said this morning that he was going to be given an extension. I may say that in approaching this subject, I have not approached it from the point of view of who is the officer likely to benefit if another officer goes, or who is the officer likely to suffer if he stays, although I may mention in this case that the officer whom I should have selected to succeed him, an officer of marked ability, unfortunately died very recently. But we have to face a very difficult position. I would ask for the sympathy of the House in this difficult task. We have given away a large number of officers. The Honourable Mr. Hossain Imam is mistaken in supposing that these are drawn entirely, or even very largely, from the lower ranks. They include, for example, one officer who had already officiated as General Manager and another officer who is a permanent Chief Engineer. We have consequently a considerable shortage. In fact, officers down in the lower ranks, and it is there, of course, that there is the majority of Indian officers at present—they are junior officers—have, probably received more promotion during the war than they would have received in times of peace. But we are extremely short of experienced officers. If you have to look for a General Manager, they do not flourish in large numbers and it is a serious matter to let go at this time an officer who has experience of that work. Posts of that kind are not posts in which I am in favour of having rapid changes of office. I should regard an officer who had only a year to serve as unqualified to be put in. It is bad luck on the man, but we have to look primarily to the interests of the service, and if we had a constant series of changes, as any business man will confirm, we should be seriously injuring the administration. And so we are giving extensions to a certain number of senior officers. This, as I know, means disappointment for officers, particularly very senior officers, who might have hoped for even further promotion. These officers, in most cases, I think, are Europeans. As I said earlier, the officers lower down in the service are in no way worse off—they are rather better off—than they would have been in times of peace.

Sir A. P. Patro referred to officers who have gone on military service and asked me what the position was in respect of their pay and promotion. The rule has been that they get the same pay as if they were serving here and they would get promotion as if they had been serving here, and they are entitled either to their railway pay or their military pay whichever is greater, and normally, their railway pay is greater. He also referred to an inquiry from

the M. S. M. R. about provident fund made in August, 1940 and he was under the impression that it was still awaiting a reply. I have a copy of the reply here and it was sent in October, 1940.

One or two Members, including the Honourable Mr. Hossain Imam and the Honourable Haji Syed Muhammad Husain referred to the question of Muslim promotion, and I was a little surprised to find the Honourable Mr. Sapru also dwelling on the hardships of the case. The Honourable Mr. Hossain Imam quoted figures of promotions to the lower gazetted service and pointed out, quite accurately, that a very large proportion of these promotions had gone to Anglo-Indians and Europeans and other non-Muslims. That is perfectly true. But I do not think he was entitled to draw from it the conclusion which apparently was in his mind that as between Muslims and other communities, the Muslims received less than their share of the promotions. I have not examined the figures from that point of view, but my general impression, after seeing a good many cases of this kind, is that the Muslims need not have any apprehensions as regards the system of selection for promotion. The big preponderance in the grade to which the Honourable Mr. Hossain Imam has referred is almost entirely due to the fact that those from whom the selection is made consist almost entirely of non-Muslims. The Honourable Mr. Hossain Imam said that this was not a feature of one year, but one of many years, and he was quite right, because, many years ago, the Railways were largely manned by Europeans and Anglo-Indians. The men from whom selection is now made for this particular grade are probably men with over 20 years or even 25 years' service. Those represent the recruits brought in at or even before the last war. I fully appreciate the anxiety of the Muslim community that they should figure more largely in this grade, if we retain the grade, and that is a question at present under our consideration. But I am afraid that unless we are going to remove officers before their time or are going to deny others the promotion which they have earned, the difficulty to which these Honourable Members refer is one that can only be fully cured by time.

There were one or two references to the old road and rail question. Sir A. P. Patro complained that there was no co-ordination. But I can assure him that we are attempting some co-ordination, though I have not claimed that we can expect any very great results. He referred to the necessity of evolving a post-war policy. I agree that after the war this is a question that will have to engage serious attention. But I doubt if this is the proper time for taking it up. Obviously there are a great many factors that must enter into it and we are not able to predict the position in which we are likely to be placed after the war. All I can say is that I do sympathise with the feeling that there should be a fuller measure of co-ordination after the war. We are open to criticism on the ground that our limited resources have gone towards duplicating communications rather than towards increasing them, that we have spent a great deal of money on improving roads which run parallel to a railway and that we have not spent enough on the development of the countryside. But there are great difficulties in the way and in one respect I think we have turned out to be perhaps wiser than we really were, because, as Honourable Members would realise, main roads are all important when you come to questions of defence.

There were one or two references to the taking over of Railways by the State. We have taken over two this year and are taking over two next year, and there are many reflections that could be made from many points of view on this large change. The Honourable Mr. Dalal, with a cynicism which

[Sir Andrew Clow.]

I hope is foreign to his nature, said that companies worked entirely for profit and that he hoped that that policy would not be pursued when we took them over. I hope that companies also bear the idea of service in mind. I think we must all try and realise that a great business, whether it is owned by the State or whether it is owned by a company, is service to the public, and I do not think companies managing railways in India can be said only to have worked for profit even if they had wanted to. It has to be remembered that in most cases we own the bulk of the capital and we control very largely their financial operations.

I was asked by an Honourable Member—I think it was Mr. Hossain Imam—whether we had showed the effect of taking over for three months of the Bengal and North Western line and the Rohilkund and Kumaon line. He will find them duly recorded on pages 38 and 39 particularly of the Explanatory Memorandum. But I think he has been misled, as I myself might have been misled, by the fact that the B. N.W.R. appears under the heading “Tirhoot” and the R.K.R. appears under the heading “Lucknow-Bareilly”, these being the two State lines which, as we hold them for the 12 months’ represent the greater part of the income for this year.

There were a few references to the question of wagon user and the Honourable Sir A. P. Patro quoted from a statement showing the action taken on the Wedgwood Committee Report. But I rather think that the Library must have supplied him with the earlier edition and not with the later edition of this statement, and if he will refer to the second edition he will find that even at that date a good deal of progress had been made. Actually since then we have pursued this question further. He referred to the proposal to appoint a committee to examine certain data collected as the result of a special survey; but in the end we did not form this committee as it was felt that the work of concentrating on the removal of defects in designs would be handled best by the Central Standards Office. Then as regards the scheme of pooling periodical overhauls of pooled wagons, that was given a trial for a period of about two years, but it had then to be abandoned because it was found to involve extra costs and difficulties in workshops and because haulage also presented rather a problem. Actually the whole wagon position is altered of course since the Wedgwood Committee reported, because then there was believed to be a surplus of wagons and we are now, owing to changed conditions, in a very different position. It was suggested that I might form sub-committees of the Central Advisory Council to deal with such questions as wagon user and economy in fuel, but I doubt if they will prove very helpful. I find myself that wagon user is a question that, even with railway problems before my mind every day, is extremely difficult to understand. It is really a question for experts, and we gained a great advantage from the recommendations of the Wagon Turn-round Committee which represented its report last year. We have also had an officer for some time on special duty dealing with questions particularly concerning the movement of coal.

The Honourable Mr. Sapru referred to a lamentable accident which has occurred recently and asked if I was in a position to give further information on the subject. I am afraid I am not. The casualties have been reported in the press and I am glad to say that further inquiry has not added to their number. What apparently happened was that this parcels express came along at a time when the signalling apparatus had been put out of commission by a storm and instead of running through the station on the main line, collided with a stationary goods train on the loop line. But I am not going

to say anything about the responsibility for what happened because the Senior Government Inspector, who was on the spot within a few hours, is still making his inquiries. I can only assure the House that copies of the report of inquiry when it is available will be placed in the Library. I would echo the Honourable Mr. Sapru's words in expressing my sympathy with those who have suffered in this accident.

Then several Honourable Members referred to the dismantling of railway lines. The most extreme view I think was expressed by the Honourable Mr. Sapru, because he seemed to think that no lines could in any circumstances be dismantled for the purpose of the war. He was rather shocked to think that those men who stay behind and work in their fields should be put to financial loss thereby. But if he comes to think it over I think he will realise that the men who use the lines, the men we have sent abroad and who are fighting for us in various fronts, might lose their lives, not their money, if the lines were not supplied. The Honourable Mr. Kunzru reminded us that armies depend on transport and suggested that there was a danger. I think he suggested that we might be causing injury by dismantling lines that were serving supply. Well, the ones we have dismantled, although they are important to the small localities they serve, are all lines of comparatively small traffic which can hardly be regarded as an integral part of the main economic system. I am quite sure that the soldiers who feel that the transport of the armies is going to be better served by taking those lines to another place are right. If I had a bicycle and was using it for earning money and a young man came along and said, “Dacoits are coming to attack you, if you give me your bicycle we will be able to put up a better fight against them”, I would not hesitate very long. It was suggested that I should take the Central Advisory Council into confidence in these matters and they should be consulted before decisions are taken. We had to dismantle the first one or two lines, I think, before we could consult them, but we have consulted them on more than one occasion lately and have given them lists, not merely of the lines dismantled but those we regard as next on the list if we have to go further. We took their advice as recently as the end of the last session and I hope the matter will be put to them again some time during the current session.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is care being taken that there will be no shortage of railway material in this country should war break out here? That was the point I made.

THE HONOURABLE SIR ANDREW CLOW: There is a shortage at present, so I am afraid I could not guarantee that. We have obviously got to apply the railway material at our disposal where we think it will meet best the needs. And the defence of India is not conducted merely within India; it is being conducted in other fields.

THE HONOURABLE MR. P. N. SAPRU: May I ask whether alternative methods of transport are being developed in areas where the lines have been dismantled? That was my point.

THE HONOURABLE SIR ANDREW CLOW: As far as possible, but of course the possibilities are very limited. For example, in one or two cases the Central Government have given contributions for improving the roads in those areas. We are now engaged on the question of developing alternative methods of fuel, a matter in which substantial assistance was given by

[Sir Andrew Clow.]

an officer of the Railway Board; but with petrol rationing being essential at the moment and difficulties in securing fresh wagons and the need of not being extravagant in the matter of rubber, there are obvious difficulties in developing mechanical transport on the roads to any large degree. Actually a certain number of the branches—I can think of several of them I have seen myself—are so short that transport can be done by bullock cart, with of course a little extra time. I was asked where the lines are being used. I cannot obviously disclose where they have gone to, but I can say that they are being used not merely overseas but in India for the purpose of defence.

The Honourable Mr. Hossain Imam complained that we had given somewhat meagre information, mainly on the financial side, and said that His Majesty's Government should bear a good proportion of the cost. They are doing so. The arrangement reached, broadly speaking, is that we get the present contract price—that is not the original contract price—depreciated to the extent to which depreciation would have occurred. We also get the cost of dismantlement when the lines are handed over for purposes which fall on His Majesty's Government. Considering that these lines were in most cases not bringing in any revenue but actually a debit, I think it will be agreed that that is from our point of view a very reasonable bargain indeed.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Are we to take it that the debit against our revenues is only for the material that is being used in this country? Rs. 2·91 crores have been debited to our revenues. Is that for the dismantled railway lines that are being used in India itself?

THE HONOURABLE SIR ANDREW CLOW: I do not know if I quite grasped the Honourable Member's question, but I think it is hardly correct to say that if the rails are used in this country they are debited to us; if they have gone overseas they are debited to His Majesty's Government. If he will agree to put a question down, we will supply him with full information.

Sir, I think I have dealt with most of the points that Honourable Members have made and I would only make one suggestion in conclusion, and that is that we must view most of these questions in the light of the war. I know that war brings an immense number of hardships, an immense number of disappointments to everyone, disappointments to individual officers, hardships to certain localities, difficulties of obtaining wagons. But these only amount to what I might call the minor hardships of war. There are others, thousands of our countrymen, who are suffering much greater hardships and much greater danger and I feel that in all that we do at this time on the Railways as elsewhere we would do well to keep their needs in our mind. (Applause.)

The Council then adjourned till Eleven of the Clock on Thursday, the 26th February, 1942.

COUNCIL OF STATE

Thursday, 26th February, 1942

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN:

The Honourable Mr. Satyendra Nath Roy (Communications Secretary).

QUESTIONS AND ANSWERS.

QUARANTINE RESTRICTIONS AT MANDAPAM CAMP.

67. THE HONOURABLE RAJA YUVERAJ DUTTASINGH: (a) Is it a fact that at Mandapam Quarantine Camp, first and second class passengers travelling from India to Ceylon are medically examined and inspected at the railway station, and granted health certificates if they satisfy certain conditions, and that even the servants of first and second class passengers are passed at the discretion of the medical officer on the guarantee of their masters, but all other passengers are required to undergo five clear days quarantine at the Mandapam Camp?

(b) Is it also a fact that the majority of third class passengers are detained at Mandapam for over 24 hours for disinfection, vaccination, observation, etc.?

(c) Why this distinction between third class passengers and those travelling in higher classes?

THE HONOURABLE MR. G. S. BOZMAN: (a) and (b). Passengers travelling via Dhanushkodi have to obtain health certificates at Mandapam before they are permitted entry into Ceylon. First and second class passengers and their servants are ordinarily passed without ado and are allowed to continue their journeys uninterrupted. Third class passengers other than estate labourers are detained at the quarantine camp for 24 hours and estate labourers for five days.

(c) The whole question is being examined by the Government of India.

TRIBUNALS FOR REVIEWING CASES OF POLITICAL PRISONERS.

68. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Do Government propose to set up provincial tribunals to look into the cases of those political prisoners who were not affected by the release orders of Satyagrah prisoners? Has the proposal been given effect to? If so, what are the constitution and status of such tribunals? How many such prisoners are still under detention?

THE HONOURABLE MR. E. CONRAN-SMITH: It is not proposed to review the cases of any convicted prisoners, but both the Central Government,

and also the Provincial Governments concerned, have arranged for the cases of persons detained under their orders under rule 26 of the Defence of India Rules to be reviewed. I am unable to give details of the reviewing agencies appointed by Provincial Governments, but an announcement will, it is hoped, be made shortly regarding the Central Government's own arrangements. There were 1,025 security prisoners under detention on January the 1st, 1942.

ALLOCATION OF EXPENDITURE ON AIR RAID PRECAUTIONS BETWEEN THE CENTRE AND THE PROVINCES.

69. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state how and on what basis the question of the allocation of A. R. P. expenditure between the Centre and the Provinces has been decided? And what are the quotas that have fallen to each Province?

THE HONOURABLE MR. E. RAGHAVENDRA RAO: The details of this arrangement are under negotiation between the Government of India and Provincial Governments concerned following a conference held between representatives of the Government of India and Provincial Governments on the 19th January, 1942. The basis of the arrangement is that each Province should contribute according to its means, and that the assistance given by the Government of India should increase with the dimensions of the expenditure incurred. To effect this it is proposed that a number of slabs should be fixed, the details of which are under negotiation. The whole of the first slab will in each financial year be payable from Provincial revenues; the second slab will be payable from Provincial and Central revenues in the ratio of 50:50; the third in the ratio of 25:75; and the expenditure subsequent to the third slab will be payable in the ratio of $12\frac{1}{2}:87\frac{1}{2}$.

MOVE OF GOVERNMENT TO SIMLA.

70. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Do Government propose to stop the "Simla exodus" this year? If not, why not?

(b) Will Government state what provincial Governments propose to stop hill exodus in the coming summer?

THE HONOURABLE MR. E. CONRAN-SMITH: (a) It has been decided that the Headquarters of the Government of India and G. H. Q. will remain in Delhi this summer.

(b) Government have not been informed officially of the decisions of the Provincial Governments in the matter except by the Government of the United Provinces who do not propose to move to the hills this hot weather.

REPRESENTATION OF INDIA IN THE EMPIRE WAR CABINET.

71. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Has any Indian, representing this country been appointed or will be appointed to the Empire War Cabinet? If so, who? If not, why not?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: This question has already been answered this session—question No. 45 on the 24th of February.

INDO-NEPAL AERIAL ROPEWAY.

72. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is there any proposal of constructing an Indo-Nepal aerial ropeway to facilitate trade? If so, from what point to what point; and when is the project likely to be taken in hand and when completed?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: Attention of the Honourable Member is invited to the answer given to his question No. 187 on the 22nd November, 1941.

CONTRIBUTIONS MADE BY PROVINCES, ETC., IN AID OF THE WAR.

73. THE HONOURABLE MR. M. N. DALAL: Will Government lay on the table a comprehensive list of contributions by way of (a) gifts and (b) loans without interest, towards the war efforts, in India, since the beginning of the war—

(1) By the Indian Princes?

(2) By each Province in India?

(3) By Great Britain, if any?

THE HONOURABLE MR. C. E. JONES: With your permission, Sir, I will combine the answers to questions 73 and 74. As my Honourable friend is aware, Provinces and States have their own separate War Funds, information with regard to which is not readily available here. The accounts of His Excellency's War Purposes Fund also are kept on a purpose as distinct from an area basis and it is not possible therefore to give the information in the form my Honourable friend requires. The total subscriptions to the Viceroy's War Purposes Fund up to the end of January, 1942 amounted to Rs. 614 lakhs, out of which Rs. 2,89 lakhs (apart from a recurring annual contribution of Rs. 36½ lakhs) represents the contribution of the Indian States. The total disbursements from the Fund amount to Rs. 530½ lakhs, out of which Rs. 310 lakhs were sent to Britain, Rs. 208½ lakhs were spent in India and Rs. 12 lakhs in countries overseas other than Britain. Apart from the grants made by His Excellency in consultation with the Appeal Committee, payments have in all cases been made in accordance with the wishes of the donors.

I lay on the table a statement showing the subscriptions to the Interest-free Defence Loan up to the end of January, 1942.

Subscriptions to Interest-free Defence Bonds.

Up to the 31st January, 1942.

(In thousands of Rs.)

Madras	5.24
Bombay	1,20.63
Bengal	38.71
United Provinces	8.20
Punjab	14.00
Bihar	5.49
Central Provinces and Berar	1.37

	(In thousands of Rs.)
Assam	20
North-West Frontier Province	1,26
Orissa	6
Sind	2,98
Delhi	1,97
Baluchistan	54
Ajmer-Merwara	16
Coorg	..
Indian States and other Central Treasuries	66,24
Total	2,67,05

This statement shows only the place of actual subscription and not the place of the residence of the subscribers.

74. THE HONOURABLE MR. M. N. DALAL : Will Government lay on the table a comprehensive list of contributions by way of gifts towards the cost of the war, or for the relief of distress, in Britain, since the beginning of the war—

(1) By the Indian Princes ?

(2) By the several Provinces ?

(See reply to question No. 73.)

INDIANS IN BURMA, MALAYA AND THE FAR EAST.

75. THE HONOURABLE MR. G. S. MOTILAL : (a) How many Indian civilians were there in Hong Kong, Penang, Malay States, Burma, Singapore, Java, Sumatra, Borneo and other places involved in the Japanese war, when Japan declared war on Britain ?

(b) What steps have been taken for their protection ?

(c) What facilities have been provided for their coming over to India and how many left each of these places ?

(d) How many of them were lost owing to enemy action and how many landed safe in this country ?

(e) How many of them have been wounded and how many have been killed ?

THE HONOURABLE MR. G. S. BOZMAN : (a) I lay a statement on the table of the House giving the information asked for.

(b) Government have no reason to believe that Indians in the Far East in areas not under enemy occupation are not being afforded all protection possible by the respective local Governments. The Swiss Government have undertaken the responsibilities of the protecting power to look after the interests of British subjects in the foreign countries under Japanese occupation. The Argentine Government have undertaken similar responsibilities in Japan proper.

(c) Government have spared no effort in assisting Indians to evacuate from the war zones in the Far East. Even before the outbreak of war with Japan, the S.S. "Anhui" made two special trips to Shanghai and Japan to vacuate such British subjects including Indians as wished to leave Manchukuo.

Northern China and Japan. All shipping accommodation which could be spared has been made available for the evacuation of Indians from Burma and Malaya. The land routes leading from Burma into India are also being used.

(d) and (e). In the two heavy air raids on Rangoon 1,102 were killed or died of injuries and 1,650 were injured, most of them being Indians. In Moulmein reports have been received of 38 deaths and 80 cases of injury. I have seen a Press report that casualties in Singapore up to the 3rd February were 2,170 killed and 3,955 injured. I regret I am unable to say how many of these were Indians. Information regarding the total number of Indians repatriated from Burma and Malaya since the outbreak of war with Japan is being collected and a statement will be laid on the table of the House in due course.

Statement in reply to part (a) of question No. 75.

Country.	Indian population.	Year.
Hong Kong	4,745	1931
Federated Malay States	4,68,029	31-12-1940.
Unfederated Malay States	1,31,071	31-12-1940.
Straits Settlements	1,49,729	31-12-1940.
Burma	10,17,825	1931 Census.
Dutch East Indies	27,638	1930 „
British North Borneo	1,298	1931 „
French Indo-China	6,000	Estimate.
Thailand	50,000	Estimate.
Phillipines	890	Estimate.
Japan	330	1941.

RELUCTANCE OF INDIAN TROOPS TO SERVE OVERSEAS.

76. THE HONOURABLE MR. G. S. MOTILAL : Is it a fact that any Indian regiment indicated its reluctance to serve in distant places from India or to fight against Japan for her being an Eastern Power ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : No, Sir.

INDIAN TROOPS AT VARIOUS FRONTS.

77. THE HONOURABLE MR. G. S. MOTILAL : Has Government to make any statement regarding Indian officers and soldiers sent to various fronts ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : The Honourable Member does not mention the nature of the statement he desires regarding Indian officers and soldiers. I would, however, refer him to the statement recently made in this House by His Excellency the Commander-in-Chief. Government have no other statement to make at present.

DEFENCE ADVISORY COMMITTEE AND INDIAN TROOPS.

78. THE HONOURABLE MR. G. S. MOTILAL : Do Government propose to send non-official members of Defence Advisory Committee to meet Indian regiments to inquire after their needs and requirements, if any ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : No, Sir.

NUMBER OF INDIAN OFFICERS.

79. THE HONOURABLE MR. G. S. MOTILAL : (a) What has been the increase in the number of Indian officers in each arm of the defence forces since the beginning of hostilities with Germany ?

(b) How many Indian officers have been admitted in G.H.Q. and what are their duties and ranks ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) Sir, it would not be in the public interest to give the exact numbers of Indian officers holding commissions in each arm of the Defence Forces, but I may inform the Honourable Member that as compared with 800 Indian officers in all the three Services, viz., Army, Navy and the Air Force in September, 1939, there are now a total of over 3,500 officers.

(b) There are 19 Indian officers posted to General Headquarters at present. They include one colonel, two lieutenant-colonels, three majors, six captains and seven lieutenants. Three Indian officers are posted at present in Naval Headquarters, namely, two paymaster-lieutenants and one paymaster-sub-lieutenant. All these officers are employed on normal staff duties.

STRENGTH OF INDIAN TROOPS.

80. THE HONOURABLE MR. G. S. MOTILAL : (a) What is the strength of the Indian forces of each arm at present ?

(b) What increase in the strength of each of these arms is contemplated by Government ?

(c) Whether any steps can be taken to increase the training staff and what measures have so far been taken and at what rate training can now be accomplished ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) and (b). I regret I cannot furnish this information as it would not be in the public interest to do so.

(c) All possible steps are being taken to increase the output of all training establishments and to find the necessary training staff for the purpose. It would not be in the public interest to give the rate at which training is now proceeding, but I may say that there has been considerable expansion in the output of all training establishments and as examples, I would mention that since the 1st of April, 1941, the output of the Camouflage School has increased by 486 per cent. ; that of the Anti-Aircraft School by 75 per cent. ; that of the School of Artillery by 153 per cent. The number of Indian non-commissioned officers trained at the Infantry School (formerly the Small Arms School) at Saugor has increased by 375 per cent. in the same period.

STRENGTH OF BRITISH TROOPS IN INDIA.

81. THE HONOURABLE MR. G. S. MOTILAL : What is the strength of the British Army in India at the present time ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : It is not in the public interest to give this information.

DEFENCE OF INDIA AGAINST INVASION.

82. THE HONOURABLE MR. G. S. MOTILAL : (a) What steps do Government propose to take to prepare and enable the people of India to fight Japan attempting invasion and occupation of this country ?

(b) Do Government propose to take measures in this respect similar to what has been done in England ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) and (b). It is not in the public interest to reveal the steps taken for the defence of India against invasion by the enemy.

PRISONERS OF WAR.

83. THE HONOURABLE MR. G. S. MOTILAL : (a) How many Italian, German and Japanese prisoners of war, civilian and military, are in India at present ?

(b) Have some of them escaped from their camps and are still missing ?

(c) How many Indian soldiers have fallen prisoners in the hands of Germans, Italians or Japanese, so far known ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a), (b) and (c). I lay a statement on the table.

(a) On the assumption that by the term "civilian prisoners of war", the Honourable Member means "civilian internees", the figures as available up to 12th February, 1942, are as follows :—

	Germans.	Italians.	Japanese.
Internees	4,049	494	2,813
Prisoners of war (including merchant seamen who are now treated as such) . . .	145	66,667	Nil.

(b) Of the 121 who attempted escape hitherto, all have been recaptured up to the 12th February except six officers (at large since 6th February, 1942) and one other rank (at large since 9th February, 1942).

(c) 1,685 Indian soldiers are in the hands of Germans or Italians. Figures of those in Japanese hands are not yet available.

MANUFACTURE OF AEROPLANES.

84. THE HONOURABLE MR. G. S. MOTILAL : (a) How many military and other aeroplanes are being made in the country every day ?

(b) How many more are likely to be made after three months ?

(c) Whether any motors are being manufactured in this country suitable for military purposes ?

THE HONOURABLE MR. A. DEC. WILLIAMS : (a) and (b). It is not in the public interest to answer these questions.

(c) Thousands of motor vehicles suitable for military purposes are being assembled in this country. None are being manufactured.

POWER ALCOHOL.

85. THE HONOURABLE MR. G. S. MOTILAL : (a) When do Government expect power alcohol to be ready in this country to be used for motor transport ?

(b) How many buses and lorries have been turned over to coal and gas ?

THE HONOURABLE MR. S. N. ROY : (a) A small amount of power alcohol is actually being used in the country as fuel for motor transport. The possibility of increasing its use is engaging the attention of Government.

(b) The fitting of producer gas plants to motor vehicles is progressing at the rate of about 300 vehicles per month in Madras and at a considerably slower rate in certain other Provinces. Precise information is not available but it is understood that so far about 3,000 transport vehicles have been converted to producer gas.

NUMBER OF AUSTRALIANS COMMISSIONED IN THE INDIAN ARMY.

86. THE HONOURABLE MR. G. S. MOTILAL : (a) How many Australians are officers in the Indian Army and how many of them have been appointed since the beginning of the war ?

(b) How many of them have been trained in India and will any more Australians be trained in India ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) Nine have been appointed since the beginning of the war. Figures for those appointed before the war are not available.

(b) As regards the first part, none have been trained in India so far ; the latter part does not therefore arise.

NUMBERS ENLISTED IN THE INDIAN ARMY SINCE THE OUTBREAK OF WAR.

87. THE HONOURABLE MR. G. S. MOTILAL : How many soldiers have been recruited since the beginning of the war from each Province in India ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : It is not in the public interest to give figures, but I have laid on the table a statement giving approximately the percentages for various Provinces.

Punjab	50 per cent.
United Provinces	15 per cent.
Madras	About 10 per cent.
Bombay	About 10 per cent.
North-West Frontier Province	5 per cent.
Ajmer-Merwara	3 per cent.
Bengal	2 per cent.
Central Provinces and Berar	Between 1 per cent. and 2 per cent.
Assam, Bihar, Orissa	Less than 1 per cent. each.

TYPES OF BOMBS DROPPED BY THE JAPANESE.

88. THE HONOURABLE MR. G. S. MOTILAL : (a) What type of bombs have been dropped by the Japanese in the Malay States, Singapore and Burma and how are they different from those used in European countries ?

(b) What measures and precautions should be taken by citizens in case the Japanese aeroplanes reach Indian cities ?

THE HONOURABLE MR. E. RAGHAVENDRA RAO : (a) It is regretted that it would not be in the public interest to disclose what information Government has regarding the types of bombs dropped by the Japanese.

(b) Government suggests that the best course of action for any citizen to take is to get into touch with the Air Raid Precautions Warden and with the local Air Raid Precautions authorities generally who are constituted for the purpose of giving him advice of this nature.

ARREST AND DETENTION OF MR. SARAT CHANDRA BOSE.

89. THE HONOURABLE MR. G. S. MOTILAL : (a) Where is Mr. Sarat Chandra Bose at present ?

(b) For what reasons has he been detained ?

(c) Has Government sufficient evidence against him for a judicial trial ?

THE HONOURABLE MR. E. CONRAN-SMITH : (a) Mr. Sarat Chandra Bose is at present detained in the Central Jail, Trichinopoly.

(b) and (c). I would refer the Honourable Member to the answer given by me on the 24th instant to the Honourable Raja Yuveraj Dutta Singh's question No. 44.

WAR RISK INSURANCE OF REAL AND INDUSTRIAL PROPERTIES.

90. THE HONOURABLE MR. G. S. MOTILAL : (a) Have Government framed any scheme for War Risk Insurance of industrial property as also of real property ?

(b) In what respect does it differ from the plan adopted in England ?

THE HONOURABLE SIR ALAN LLOYD : (a) Government are actively engaged in considering a scheme for the insurance of factory buildings, plant and machinery against War Risks. They are not framing any scheme for real property generally.

(b) There is no separate scheme in the United Kingdom covering only industrial property. The United Kingdom scheme relates to immovable property generally which includes industrial buildings and certain types of plant and machinery. It will be easier to answer the Honourable Member's question when the Government scheme has been finally adopted.

REVENUE DERIVED FROM THE EXCESS PROFITS TAX.

91. THE HONOURABLE MR. G. S. MOTILAL : (a) What revenue has Government derived from Excess Profits Tax in this year and in the previous year ?

(b) What have been the excess profits of cotton, jute, steel and other industries ?

THE HONOURABLE MR. C. E. JONES : (a) Rs. 328 (up to the end of December, 1941) and Rs. 155 lakhs, respectively, including advance payments.

(b) The information is not readily available and the labour involved in extracting it will not be commensurate with the results likely to be achieved.

RELIEF TO COTTON CULTIVATORS.

92. THE HONOURABLE MR. G. S. MOTILAL : How do Government propose to give relief to cotton growers ?

THE HONOURABLE SIR ALAN LLOYD : The attention of the Honourable Member is invited to the press communiques issued on the 26th and 29th January and on the 11th February, 1942 on the subject, copies of which have been laid on the table of the House.

OPENING OF CHEAP GRAIN SHOPS.

93. THE HONOURABLE MR. G. S. MOTILAL : (a) How many grain shops have been opened by various Provincial Governments in their respective Provinces ?

(b) Have Government evolved any plan for securing supply of grain and other materials of food continuing undisturbed in emergencies and contingencies of the present situation ?

THE HONOURABLE SIR ALAN LLOYD : (a) I regret that the information asked for is not available.

(b) The problem is engaging the closest attention of the Provincial Government in consultation with the Government of India.

NUMBER OF INDIANS LICENSED TO HOLD FIREARMS.

94. THE HONOURABLE MR. G. S. MOTILAL : How many Indians are licensed holders of guns, rifles, pistols and revolvers and how many weapons of each description are held by them in British India ; and how many are held by Britishers and others ?

THE HONOURABLE MR. E. CONRAN-SMITH : I am afraid I am unable to furnish the detailed information asked for as it is not in the possession of the Government of India and the time and labour involved in collecting it would not be commensurate with the value of the results. I may add however that over 5½ lakhs of firearms were in the lawful possession of the public in 1940, which is the latest year for which complete returns are available.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL : Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which

were passed by the Legislative Assembly at its meeting held on the 24th February, 1942, namely :—

A Bill further to amend the Cotton Ginning and Pressing Factories Act, 1925.

A Bill to provide for the extension of the time limited by or under the Indian Patents and Designs Act, 1911, for the doing of acts thereunder.

RESOLUTION RE AN INDIAN DEFENCE MEMBER.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces-Northern : Non-Muhammadan) : Mr. President, I beg to move :—

“ That this Council recommends to the Governor General in Council to represent to the higher authorities that in order to place the primary responsibility for the protection of the country on Indian shoulders and to prepare the country fully for its defence the portfolio of Defence in the Viceroy's Executive Council which is now held by the Commander-in-Chief should be entrusted to a non-official Indian.”

Sir, the position of the Commander-in-Chief as a Member of the Viceroy's Executive Council has been considered more than once during the last 60 or 70 years. It was first brought comprehensively under review by the Army Organisation Commission of 1879. Although the situation has radically changed since 1879, there is an observation made by the Commission which is well worth consideration even today.

“ The position of the Executive Commander-in-Chief as a Member of the Council ”, it said “ is, in the opinion of the majority, one without precedent in the organisation of any European Government or Army. It is contrary to one of the most essential and salutary principles of sound administration and the common instinct and experience of all administrations whether representative or despotic has everywhere rejected it ”.

This recommendation, Sir, was not carried out and it was because of the failure of the British authorities to appreciate the advice given by the Commission that 25 years later a serious clash occurred between Lord Curzon and Lord Kitchener. Had that system been changed, had the advice of the Army Organization Commission been accepted and the Commander-in-Chief had ceased to be a Member of the Executive Council, the controversy that took place between the Viceroy and the Commander-in-Chief during the regime of Lord Curzon would never have taken place.

This question, Sir, was considered in very recent times by the Legislative Assembly. It was in 1921 that the question of appointing a civilian as Defence Member was discussed in the Assembly. But, owing to several misapprehensions one of which was that the ratio of Indian and European Members in Council might be disturbed if a civilian were appointed to the Viceroy's Executive Council the proposal was turned down. The position, however, Sir, is such now that this question must be reviewed, and reviewed not merely because the existing practice is constitutionally unsound but because a radical change in it has become urgently necessary both on political and military grounds. I may add, Sir, before I deal with those considerations which require an immediate change that in order to appoint a Civilian as Defence Member of the Viceroy's Council it will not be necessary to change the Government of India Act. No statutory change will be required in order to sever the connection between the Commander-in-Chief and the Executive Council and to appoint a non-official Indian as Defence Member. I am sure that this position will not be disputed by

[Pandit Hriday Nath Kunzru.]

either the Leader of the House or whoever speaks on behalf of Government today. As every one knows, had the Federation envisaged in the Government of India Act, 1935, been established, the Commander-in-Chief would have ceased to be a Member of the Governor General's Executive Council. But, even now, it is not necessary for the authorities to appoint the Commander-in-Chief as a Member of the Governor General's Executive Council. It is entirely within the competence of the Secretary of State to come to any decision he likes on that question. It is, therefore, a matter entirely of executive discretion whether the Commander-in-Chief will continue to be a Member of the Governor General's Executive Council or not.

Lastly, Sir, I should like to say before I deal with the wider considerations which have prompted me to put forward this Resolution that it should not be regarded in any sense as a reflection on His Excellency the Commander-in-Chief. The times are difficult. I do not think that any Commander-in-Chief in India in recent times has been called upon to bear a heavier burden immediately on assuming office than the present Commander-in-Chief. He will, I am sure, himself appreciate his being released from his political duties so that he might be free to perform the urgent military task which should be his main concern at the present time. His absence from the debate today shows that he has been unable to reconcile his position as the executive head of the Army and his position as the Defence Member of the Council whose duty it is to deal with the political aspects of defence and to present the Government view to the Legislature. The situation being such as to make the dual responsibility of the Commander-in-Chief quite incompatible with the existing circumstances, it is, I think, all the more necessary that a radical change should be made in the present system, so that our arrangements may approximate to those prevailing in England and a civilian should represent the department concerned with Defence in the Legislature.

Sir, I have already said that the question which I am discussing is not merely of constitutional but of urgent political and military importance now. Had it been a question merely of constitutional importance it might have awaited a satisfactory solution for a few years more, but it seems to me, and perhaps to the country at large that the present arrangements are a serious hindrance to the defence of the country. National leadership is wanted at the present juncture both to strengthen our defences and to raise the morale of the civil population. In order to illustrate what I mean I shall give a few instances to show how the present system is hampering us in our efforts to develop the basis of our defence adequately. I have already said that there should be two main considerations before us in dealing with this question at the present moment. Can we make the best efforts to prosecute the war to a successful issue under the present conditions and, apart from training our soldiers and providing them with the necessary equipment, can we adequately strengthen the will to resistance on the part of the civil population? I do not think that any one who is conversant with the state of our system of defence or with that of public feeling will answer these questions in the affirmative. Indeed, all those who have any knowledge of the present situation will strongly be of the view that a change is urgently called for in the interests both of India and of England. To take the first illustration that I want to place before the House, it is necessary at a time like this that those in charge of the Government should be able to make appeals to the people which will meet with a ready response from them. But unfortunately owing to the distrust prevailing between Government and the public the appeals made by the

British authorities fall flat on the country. On the contrary they are regarded as a political trick on the part of the authorities to stampede the Indian public into rallying round the Government and to force it to lay aside its preoccupation with its constitutional status for the duration of the war. As an instance of this I wish to refer to the appeal made by His Excellency the Commander-in-Chief on the 18th instant to the workers of this country to redouble their efforts to replace the serious losses incurred by British forces in Singapore. "I am able to tell you", he said in reply to a question, "that military preparations to meet the new situation are well in hand. But we must have equipment to replace our losses. I urge all men in the factories, in the mills and in the workshops to work as they have never worked before". And what is the effect that this appeal has made on the country? Hardly any. It did not seem to bring home to us the gravity of the situation even in this Council. When the Commander-in-Chief uttered these words I deeply regretted within myself that the executive head of the army should be making this appeal. Had there stood before us at the time in his place an Indian Member for Defence and had he made such an appeal we can well imagine the effect it would immediately have had on the country. It would have been listened to as the Commander-in-Chief's appeal could not be listened to. Coming as it would have done from one of them the people of the country would have taken it seriously and responded to it probably with alacrity. But owing to the arrangements which prevail the Commander-in-Chief's appeal has been far from evoking the full effect it was desired to produce.

Another serious difficulty inherent in the present situation is that the facts which it is necessary to place before the public in order to keep up its morale come from a source which is believed to be tainted. British propaganda, even though based on irrefutable facts, is suspect. Even though the British communiques may not depart an inch from the reality, even though they may represent the truth and nothing but the truth, they do not carry conviction to the public mind. Nothing, I venture to think, put out by the Public Information Department of the Government of India has had that effect on the mind of the people that Marshal Chiang Kai-Shek's statement has had. Even as a piece of propaganda, even as a warning to Indians regarding what they might expect should they fail to do the best they can to defend this country, the statement of Marshal Chiang Kai-Shek has been of greater value than any statements put forward by the British Government.

But, Sir, these are not the only grounds which I urge in support of my Resolution. They are of an important character, for our ability to resist the enemy successfully will in the last resort depend on the strength of will of the civil population. But I go further, Sir, and say that the present policy has interfered seriously with our defence. The arrangements that have prevailed up to the present time have been of such a character as to emphasise our subordination to the British Government and the result of it has been that our defence has for a long time been dependent on the ability of the British Government to come to our aid in the event of a major invasion of India. Whenever we asked that Indians should be trained to defend their country and that they should be allowed to occupy positions of trust and responsibility in the military sphere, we were told that as the responsibility for the defence of the country rested mainly on England it was not possible for the British Government to part with the power in regard to India's defence. India is in a very difficult position now. I do not mean to say that it is the only country in the British Empire or the world which finds itself in a perilous situation. But that does not alter the

[Pandit Hirday Nath Kunzru.]

fact that its position is one of great gravity. If we were to get help from the British Government we should have got it at this juncture, but what is the state of things? In consequence of British policy neither our man-power nor our material resources have been developed and yet where is the British Navy now that was meant to give us protection? Where are the aeroplanes and forces that we want so badly at the present time? When we put forward demands in regard to these things what is the British Government's reply? It is this. "We cannot spare what you want. We want all those things for our own safety. We have first to think of our own defence. We are the nerve centre of the Empire. It does not matter even if your country is over-run by the enemy. If we are strong, if we beat the enemy here, we shall reconquer you". This is, Sir, the inspiring message that Britain sends to us in our difficulties. We want that we should be able to meet the challenge to our safety ourselves. We do not want to be over-run by the enemy. We do not want that our population should be exposed to the dangers to which it would necessarily be exposed should a war have to be fought on Indian soil. Yet the British Government have nothing better to tell us at the present time than that we should not despair, for if strength remains in them they will again become masters of India.

Sir, I may perhaps be accused at this point of minimising the difficulties which England is faced with and of being unfair to it. It may be said that England's difficulties are due to the pacific policy pursued by Mr. Baldwin and Mr. Neville Chamberlain. There is no doubt that that policy has much to answer for so far as the present state of things goes. But I do not think that that is the whole of the explanation. That is not a complete answer to our criticism regarding our deficiencies in respect of our equipment. And here, Sir, I will draw the attention of the House to the remarks made by the Colonial Secretary yesterday in the House of Lords with regard to the utilisation of Indian man-power in the present situation. He said, Sir, that it was wrong to imagine that India's trained soldiers were not being utilised to the fullest extent possible. He wanted to remove the misconception that the men who had been already trained and equipped were not being used. He said every man who was fully armed was being used but equipment was a difficult part of the problem. It was a mistake, he added, to think that the million men who had been recruited had been fully trained and equipped. Now, what is this deficiency of equipment due to? It is, as I have already said, due in part to the policy pursued by the British Government in this country and not merely to the policy pursued by it in the international sphere. To speak plainly, Sir, British policy has been guided in this country with the object of making British Raj safe in this country for ever. That is the main reason why our industries have not been developed, why we are seriously deficient even in respect of our defence industries and why we have not been allowed to train Indians for the defence of their motherland. Had this policy not been pursued, had India been trusted, had its resources, both human and material, been fully utilised, had she been made a contented member of the British Commonwealth of Nations, the British Government would have turned today to India and not to the United States of America for help. India would have been the main arsenal of the Empire and democracy and not the United States of America. The British Government is entitled to seek friends in every quarter and to welcome help, no matter from where it may come. I do not complain of its turning to America for help but it rouses bitter and resentful feelings in our hearts when we see that at this juncture when we are helping the British Empire we are unable to get what we ourselves stand in urgent need of because of the distrustful, selfish and short-sighted policy

pursued by the British Government in the past. Had it not tried to keep us down and to maintain us for ever in a subordinate position we would not have been as apprehensive of our safety as we are today. Let no one suppose, Sir, that any Member of this House is downhearted but every Member feels the dire consequences of the imperialistic policy pursued by the British Government during the last three-quarters of a century. I feel, Sir, that had there been an Indian Defence Member our position would have been much stronger than it is today. He would have been able to put stronger pressure on the British Government than the Commander-in-Chief can to secure the fulfilment of India's needs. He would have been in a position to draw attention as forcibly to our requirements as Australia can to hers.

Sir, an immediate change in the British policy is imperatively required by the situation. We have seen what has happened in Malaya and Burma. It is not merely we who feel that the distrust which prevails between the people of these countries and the British Government has been to no small extent responsible for the weakness of their military position. This is the feeling of a British statesman too. Mr. Hore-Belisha, speaking in the House of Commons yesterday or the day before, said:—

"Our colonial administration left much to be desired. It had not enlisted the co-operation of the people, nor had it assigned to them the duties which they should perform in the event of an emergency".

This is, Sir, a serious indictment of British policy, and we all know that the reverses sustained by the British forces in Malaya and Burma and their inability to hold out as long as they were expected to is in part due to their having been unable to receive that help from the local population which they expected. To be quite frank, the enemy by skilful propaganda has been able to obtain valuable help from the people of these countries, help which should never have been forthcoming had Britain pursued a wiser policy. In the Philippines, in welcome contrast with what has happened in Burma and Malaya, resistance is still going on. Is it fanciful to imagine, Sir, that this resistance is due to a feeling on the part of the people that they are fighting for their own country? Whether this be the whole explanation of the situation or not, it is apparent from the debate that has taken place in the House of Commons that this is the feeling of responsible British statesmen. I venture, therefore, to appeal to the British Government to take heed of the warning conveyed by Malaya and Burma and to act before the situation becomes grave and perhaps irremediable in this country.

Sir, just one word more and I have done. The debate that has just taken place in the House of Commons has roused fresh hope in our hearts. Mr. Amery has done all in his power to reduce us to a state of despair and to fill our hearts with deep and passionate resentment, but the words spoken by Sir Stafford Cripps in the debate that I have referred to hold out to us the hope that the British may yet be wise and trust India and by assuring her that she will no longer be a subordinate dependency change the political and in part also the military situation that prevails today in connection with the war. Today's papers also announce that a statement with regard to India, which would give satisfaction to the country, may soon be expected from the Prime Minister. I earnestly hope that this forecast will turn out to be correct. Let me, however, say that merely small changes in the present system will not do. The institution of a War Cabinet like the one suggested by Sir George Schuster in the House of Commons' debate, while leaving the Viceroy's Executive Council as it is, will, emphatically speaking, not be a solution of the present situation.

[Pandit Hirday Nath Kunzru.]

The British Government must take bolder steps if they mean to rouse the people of this country fully to the gravity of the situation and if they are to get out of them the last ounce of energy which they can put forward to resist the enemy and help the Empire, and, in following this policy, nothing will be of more cardinal importance than the transfer of the portfolio of Defence to Indian hands. That is, Sir, why I have ventured to place this Resolution before the House and I hope that my Honourable friend Sir Firoz Khan Noon will be able to announce in the course of the debate that the Government of India are not only not opposed to the suggestion that I have made but would lose no time in putting it into effect so that the people might feel that the war was their own and all their moral and material resources might be mobilised to meet a situation which is already grave and which threatens to become graver still. (Applause.)

THE HONOURABLE SIR SHANTIDAS ASKURAN (Bombay : Non-Muhammadan) : Sir, a report of the debate in the House of Commons and the House of Lords appeared in today's papers and the expression of honest opinion by the Members there has tempted me to say a few words in support of this Resolution.

I have great pleasure in supporting this Resolution which the Honourable Dr. Kunzru has so ably moved. It has been so modestly worded that the Government should welcome this opportunity to associate itself with Indian opinion and take this great step for promoting India's war effort in the present emergency. After all what does the Resolution want ? It wants the primary responsibility for the protection of the country to be thrown on Indian shoulders. It wants to prepare the country fully for defence. If these objects, which should appear as much to the Government as they do to us, can be better secured by appointing an Indian Defence Member, there should be no delay in giving effect to it. There is, however, Sir, one misgiving in my mind which I must frankly put to the House. In a matter like this mere sentiment should have no place. It is not for the mere satisfaction of seeing an Indian in this important and responsible position that I am supporting this Resolution, but it is because of the conviction that it is just and necessary for the very task of national defence which is our most urgent duty today. But let me ask is it enough to have an Indian Defence Member ? The success of Defence, as everything else, depends upon finance. If the Defence Member is not in a position to find the money for his schemes, he will feel himself helpless to carry out his policy however energetic and well intentioned he may be. I am not seeking to cast aspersions on anybody, but I consider it of the utmost importance that the Finance Member also should be a non-official Indian. Unless the two go together in close co-operation, the object which the Resolution is intended to serve cannot be achieved.

Sir, this is not the first time that the subject has been debated in this House. It has been raised so often that the Government are fully aware of the feeling in the country. The question has to be viewed from two different points of view. From the point of view of the existing constitution itself, I see no difficulty whatever. So far as I know there is no provision in the Government of India Act making it obligatory on His Excellency the Viceroy to appoint His Excellency the Commander-in-Chief as the Defence Member. All that the Government of India Act says is that if the Commander-in-Chief is a Member of the Governor General's Executive Council, he shall subject to the provisions of this Act have rank and precedence in the Council next after the Governor General. If, as I take it, it is open under the present constitution itself to have

a separate Defence Member to represent the Defence Department both in the Governor General's Council and in the Legislature, no question arises of any constitutional difficulty. Then there is the other aspect of the question—the purely military aspect. It is wrong to think that the appointment of an Indian Defence Member will interfere in any way with or diminish the authority and responsibilities of His Excellency the Commander-in-Chief as the head of all the military forces in India. On the contrary the presence of an Indian Defence Member will be of help to His Excellency the Commander-in-Chief in many ways, not only in relieving him of certain extra military responsibilities like representation of the Department in the Legislature and so on but in securing closer contact between the Defence Department and the public—so essential in these days for the success of national defence. I have heard it said of certain previous Commanders-in-Chief that they took this view—what a help it would have been to them personally and also for the exposition of Defence policy in the Legislature and to the public if there had been Indian non-official Members to put forward the army view. I hope His Excellency the present Commander-in-Chief will take the same view, for, he has nothing to fear and everything to gain, from the association of an Indian Defence Member with him in settling Defence policies and administering the Department. As a matter of fact the rolling of political and military responsibilities into one, as is the case in India, by making His Excellency the Commander-in-Chief also the Defence Member of Government is an anomaly which is unknown to democratic countries. The sooner this anomaly is done away with, the better will it be to His Excellency the Commander-in-Chief himself not only in the discharge of his responsibilities but also to the public in the formulation and working of defence measures.

Sir, if the need for an Indian Defence Member was keenly felt even in pre-war years, I may say that the urgency of it is far greater at a time like this when war is at our very doors. His Excellency the Commander-in-Chief has onerous military responsibilities extending now to the defence of Burma and Ceylon. His Excellency has constantly to be on tour in connection with the direction of military operations and military training and organisation. Apart from these great responsibilities of a purely military character—the direction of strategy and the conduct of operations—His Excellency the Commander-in-Chief has now as Defence Member a number of other administrative and extra military duties—the administration of cantonments, equipment, purchase production, recruitment, health of the army and a number of others. To my mind it appears that if an Indian Defence Member is appointed, it will be possible to lighten the task of His Excellency the Commander-in-Chief and leave him free to give undivided attention to his primary responsibilities as head of the forces. The division of functions is necessary and desirable from the administrative point of view itself—particularly in war time when there are immense problems requiring quick decisions and energetic action on a large scale.

Sir, in the statement which His Excellency the Commander-in-Chief made in the House the other day, he referred to the present serious situation facing the country. He particularly mentioned that the enemy will lose no opportunity for spreading panic and undermining the morale of the people. We have no knowledge of the military preparations which are being made to meet the new situation, but there are a number of measures which the Government can take to strengthen the people's morale and inspire them with the confidence to face the future with courage and fortitude. One of them is certainly the appointment of an Indian Defence Member who enjoys the confidence of the people. It is already late, but it is not too late to take urgent decisions of this

[Sir Shantidas Askuran.]

character to make national defence the people's concern and enable them to pull through the grave situation that may be ahead of us. Such steps as have been taken, like the establishment of the National Defence Council and the Defence Consultative Committee, are incomplete without an Indian Member at the head of the Department. Only by the adoption of bold and comprehensive proposals—not taken singly and at distant intervals but as an essential part of a comprehensive scheme to carry the people of the country with the Government in their measures, lies our hope for the future. A former Member of the Government of India, Sir George Schuster, has warned us against complacency. It is no use saying that India is already behind the war. If we are to develop the spirit of energy and sacrifice which is now sustaining the people of China or Russia against tremendous odds, let us remember, as Sir George Schuster says, "It is blindness to expect such a spirit unless you had a real National Government behind it". I hope the Government will accept this Resolution in this spirit and pave the way for bigger decisions in the near future.

THE HONOURABLE SIR A. P. PATRO (Madras : Nominated Non-Official) : Sir, I do not think that any patriotic Indian would differ from the general principle underlying this Resolution, that is the principle of the Indianization of the Governor General's Executive Council. The proposal in this Resolution is only part of the whole reform, the complete Indianization of the Executive Council. As such, therefore, no Indian would differ from the principle underlying it. The mover of the Resolution emphasised that small changes will not do at this stage and therefore he expected that radical changes should be made in the composition of the Government of India. I am one of those who have been advocating radical changes and stressing that small changes will not satisfy Indian aspirations. Of course, complete Indianization is subject to certain conditions which ought to be satisfied to ensure complete harmony and co-ordination of work among all sections of the people. Subject to that it is very desirable that this Resolution has to be considered.

We need not go into the ancient history of this request. Lord Irwin's Government quite recently admitted in its Report on Constitutional Reforms that Indian defence should be placed in the hands of Indians more and more and the responsibility should be put on Indian shoulders as time goes on. That was the definite recommendation. It happens also that in the Instrument of Instructions to the Governor General and Viceroy it was laid down that the defence of India should be the increasing concern of Indians themselves. Then came the scheme of Federation. If that scheme had been accepted by this country it would have been a really great thing for Indian liberty and freedom. That scheme set out the position of the Commander-in-Chief in the constitution. He would have been the adviser of the Indian Defence Member. Therefore, this principle of responsibility for Indian defence being placed more and more on Indian shoulders is accepted by both the Governments in India and in England. There is no justification for the Government to have withheld this responsibility from Indians for such a long time. Neither the Government of India nor the British Government have ever decided to do things in good time. They wait and wait, and in that delay lies the danger. They do not foresee the march of events. It is this lack of vision and political foresight in constitutional improvements that is responsible for the present position in this country. I do not say the responsibility is wholly that of the British. It is also that of the Indians for having relied upon the false hopes raised by fifth and sixth rate people in

England and for having carried on agitation in a manner which could not conduce to constitutional realisation of India's hopes. Therefore, it seems to me that, whatever may have happened in the past, the time has come when Great Britain and India should sit together and see what is best for the defence of the country and to improve the present position. It has been repeatedly said that for the best defence of India she should be given greater freedom, at least that amount of independence and freedom as is sought for by non-Congress people. This seems to me very much without force. The other day the leader of another great party has told us what he and his League would do and do not agree to such a position as is advocated by the non-Party Conference. The first essential thing is that both the League and the Congress should come to terms before anything is done. But it has been said in the House of Commons, "Oh, no demand need come from the people and as His Excellency the Marshal has said the other day, the Government itself should go forward and take things as they are and improve upon them. It seems to me that such a step without any agreement between the main sections of the people is really a hazardous step. Real democracy is not suited to the social and economic conditions in this country as I have said elsewhere, but any such step as is pressed upon should be with the consent of the people. No scheme can be carried out without agreement on all sides. It may be said that may be impossible or impracticable at the present juncture when feelings are running high and so it is better to proceed without such agreement. Are we to wait till that date when the millennium would come? What I do say is this. It is open to us, open to the leaders of the people, who feel that the defence of the country is urgent and necessary and progress is to be achieved, to join hands and work up a scheme and then tell the Government "Here we are, ready with a scheme, now enforce it and give power".

It seems to me, Sir, that so far as the present question is concerned, the Indianization of the Defence Member, there is not much difference on any side so far as I could see. Whatever may be the particular object of it, we have recently read in the press that the Prime Minister is going to make an announcement with regard to the changes in the Indian Government or the Indian Constitution. We shall await with interest and see how far the present circumstances would induce the Prime Minister to change his former position and how far he would advance India in constitutional matters. After that assurance has been given, it seems to me that we should not be bitter in the discussion of this question, because, as I have already said, there seems to be no difference of opinion in the matter of defence being hereafter increasingly the responsibility of Indians themselves. If that is so, an Indian Member for Defence is inevitable and that this should have been postponed to such a length of time is a wonder. The Commander-in-Chief has lots of important things to attend to and he has not got the time to devote to the political aspect of it. Wisdom has now dawned on the bureaucratic Government. An Indian official is Additional Secretary of the Defence Department. This is the first time that an Indian has been appointed as Defence Secretary. We realise how useful is the Secretary in the matter of giving information to non-official Members on several points. He comes to our help when needed. That is an advantage of having an Indian Defence Secretary at present. It may be only a preliminary to what is coming later on, an Indian Defence Member who will be responsible to the people and who will be able to express views on behalf of the Defence Department. It seems to me that the Government have moved but moved very late and I hope it is not too late by the time that the changes in the administration of this

[Sir A. P. Patro.]

country are effected. As regards saying that if there were an Indian Defence Member there would be more enthusiasm or greatest response from the country, I do not believe it. Experience has now shown that it cannot be relied upon as a very great argument. With regard to some people there will be that adverse criticism and they will preach in the country that unless a certain demand was met they would not co-operate. That necessarily acts as a check on the enthusiasm of the people. Nevertheless, it must be said that there is no difficulty about recruitment and enlistment of soldiers. As one who has had something to do with committees and emergency commissions, I have noticed that a large number of young men are enthusiastically coming forward not for the sake of the job but for the sake of fighting for the country. Such being the case, it is no use saying that there would be more enthusiasm if there were an Indian Defence Member. It might have been so if an Indian had been appointed years ago. If he had been there for many years and had convinced people that the presence of an Indian is really useful and effective, then it would have been an impetus for recruitment. But as it is, who is now working in the Punjab, the United Provinces, Madras? The people who are working all over the country and encouraging people to enlist are the recruiting committees and people are enthusiastically responding to their call for service.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Sir, I have only risen with a view to saying a few words in order to inform the House of the attitude of the official Members. So far as official Benches are concerned, we intend to take no part in this debate. So far as the Resolution is concerned, Government will be very pleased to forward the views of this House to higher authority as suggested by the Honourable the mover in this House. Beyond this I do not wish to say anything more at this stage.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I did not say, Sir, that the Government should content themselves merely with forwarding this debate to the Secretary of State for India. When did I make such a suggestion?

THE HONOURABLE LT.-COL. SIR HISSAMUDDIN BAHADUR (Nominated Non-Official): Mr. President, Sir, I rise to offer a few observations on this important Resolution moved by my Honourable friend Pandit Hirday Nath Kunzru. I can say with confidence that my Honourable friend always takes keen interest in army affairs and has gained vast knowledge of it.

I can, Sir, modestly claim some knowledge and experience of military affairs from 1897 Tirah experience in the Army. Therefore, I trust my intervention in the discussion of this Resolution will not be regarded as gratuitous. I have listened to the speeches made this morning very carefully and without casting any reflection on the inner feelings and eloquence of the speakers, I cannot help saying that they have woefully missed the bus. They have shown little realisation of the old proverb that "It is not wise to change one's horses in midstream".

The significance of the Resolution is obvious from the very wording of it that a representation is being sought through the Governor General in Council to the higher authorities. The Honourable Members who have preceded me have, by sponsoring a suggestion for a fundamental change in the control and direction of the defence arrangements of the country at

the present juncture show a complete disregard of the realities and gravity of the situation and have only played up to the gallery. As an ideal the proposal embodied in the Resolution is most attractive and I have every sympathy with it but looking at it from a practical point of view it advocates a most dangerous innovation and amounts to playing with fire. We are passing through very acute and critical times and may have to travel through dark days ahead and a slight mistake may bring a severe setback, a serious blow and disastrous consequences. I am sure the Honourable Members will realise that the army should not be dragged into politics. Defence is a special and technical subject, requiring knowledge of different phases of war strategy, tactics and above all grim determination in handling the situation and directing the movement of troops. Where can we find a man possessing the qualifications requisite for an efficient Defence Minister among those who have had nothing to do with the army in their whole life? Is the present time a suitable one for experiments? The safety of India is at stake. I am sure the House would not put the "Defence portfolio" on trial at this critical juncture but would rather assist more and more and strengthen the hands of the Defence Department by practical and constructive suggestions which are welcome at all times. Look at England. The Right Honourable Mr. Winston Churchill, who is the man of the hour and the soul of the war insists on retaining the Defence portfolio which is the key to the successful prosecution of the war. Mr. Churchill has the requisite experience of various theatres of war and a grip of the technicalities. Would the people of this country thank us for agitating for a proposal which, if implemented, is about to weaken the hands of the Commander-in-Chief and thereby affect prejudicially and seriously the preparations for ensuring an effective defence against the military machine of a ruthless aggressor?

Without any reflection on the Honourable Members opposite may I ascertain how much solid and practical work they have done in contributing men, money and material towards the war effort? Now is the time for practical work and not mere theories and brilliant eloquence. See the villagers giving their sons and dear ones for the army to fight for their King and country. That is the solid proof, if any is needed. The other day I was at Hissar for recruitment. The men had the pride to say, "We shall rather die on the battlefield for our country than see our houses bombed, religious places destroyed and our women and children killed". Look at the war contributions of the zamindars in men and money. Let us come forward in our true colours.

I have every sympathy with the Honourable mover of the Resolution, but we cannot lose sight of hard and patent facts at this hour of our common trial. I would beg Honourable Members to leave it alone and let those responsible for the defence of the country go on with their arduous work unmolested and unharassed.

THE HONOURABLE MR. M. N. DALAL (Bombay: Non-Muhammadan): I rise to support the Resolution so ably moved by my Honourable friend Pandit Kunzru. While implying no want of confidence in the present Commander-in-Chief, who is a great soldier and an esteemable man, I must say that he cannot stir the people to the same enthusiasm as an Indian can. An Indian would know exactly how to inspire the main-spring in the heart of every Indian.

[Mr. M. N. Dalal.]

India, Sir, has produced in the past many generals and soldiers and if India today is not conspicuous in military leadership it is because Indians have never been given a chance to prove their worth; but I refuse to believe that this great country of 400 million people is so devoid of men of character, talent, trust, integrity, that it cannot produce one Defence Member for the Executive Council.

The Commander-in-Chief, Sir, is today the most over-worked man in India. Let him remain the supreme authority so far as tactical details are concerned but let him be associated, let him be assisted, by an Indian Defence Member in the Executive Council so far as administration and the direction of military policy is concerned.

The appointment of Sir James Grigg, who has been a civilian all his life, as the Secretary of State for War in England clearly shows there is no force in the argument that a Defence Member should have any very special technical military experience or education.

At this critical time Government must infuse courage and sympathy into the hearts of the people who are prepared to fight any aggressor to the last man. The announcement of an Indian Defence Member in the Executive Council will once and for all remove the doubt that Britain is not willing to part with power. The psychological effect on the people of such a generous move might prove to be the turning point in this war so far as its political aspects are concerned, or it might even be the key to the solution of the Indian political deadlock.

THE HONOURABLE SIR MUHAMMAD YAKUB (Nominated Non-Official): Mr. President, I fully appreciate the patriotism of the Honourable the mover of this Resolution, and I am prepared to give him full credit for the sentiments which have prompted the moving of this Resolution, but Mr. President the situation is so serious and the war condition is so grave, that we cannot pass any judgment, or come to any decision, on an important point like the one which is embodied in this Resolution without thoroughly going into the pros and cons of the proposal and without seeing all the sides of this Resolution. Sir, I am not taking part in this Resolution only for the sake of making a speech or entering into a controversy but Mr. President the war is not only at our doors but it is actually in our house. Burma, although it has recently been judicially separated from India, has for such a long time been wedded to this country that we cannot consider it as a foreign country and the war which is raging in Burma is, I think, a war in India. We must, therefore, realise the gravity of the situation and see how we can best do to support the war efforts.

Mr. President, the Honourable mover of the Resolution says that he wants this change in order to prepare the country fully for its defence. Sir, if this Resolution had been moved in 1938, or even earlier than that, I would have been fully prepared to support it but, in the year 1942, I think the time for preparing the country is already gone. This is not the time to prepare the country but this is the time to take action.

Mr. President, the Honourable mover of the Resolution has criticised the policy of the British Government a good deal. I am in full agreement with him in what he said. No doubt the military policy of the British Government has proved to be a total failure. The foreign policy of the British Government, their strategy and their statesmanship have failed. In my

opinion it was all due to the Western type of democracy which prevailed in England and which prevailed in other countries in Europe. It was the policy of Mr. Ramsay Macdonald, and his two successors in office, their short-sighted policy, which has brought this catastrophe upon England. When Germany was preparing armaments, Mr. Ramsay Macdonald was prosecuting his fantastic proposal of disarmament, and since then England never prepared herself to face the situation which has now arisen. The two successors of Mr. Ramsay Macdonald also remained inactive and did not prepare the country for a big conflagration. Also I do not think that India cannot produce men of genius, men who can compare very well with any statesman in the world. But, Sir, we have to see the hard facts as they stand today. I cannot blame Indians when I say that at the present moment I do not think that we can find any Indian who is fully qualified to handle the present serious situation and to discharge the duties of a Defence Minister. It is not our fault no doubt. But the fact remains. Again this is not a war of India alone. It is a world war. The international position of the war is such that it requires a man of international fame, a man who is well acquainted with international policy, at the head of the War Cabinet. But, unfortunately, placed as we are at the present juncture, my humble opinion is that it would not be just and right to place the responsibility of the defence of the country in the hands of an Indian. Although I am also fully convinced of the ultimate victory of Britain in this war, but at the present moment the tide of war is at its lowest ebb and we will not be doing justice to our countrymen if we place an Indian at the helm of the defence of the country at this grave juncture. Supposing the tide turns against us, then the British Government will merely say, "We handed over the defence of the country to you and you have mismanaged the whole affair and brought defeat upon us".

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): What is the position of the tide now?

THE HONOURABLE SIR MUHAMMAD YAKUB: As I have said, it is at the lowest ebb. We should not court blame upon an Indian. It would not be right to place an Indian at the helm of affairs at this juncture when the condition of war is so grave and when, as I said, the tide is at its lowest ebb.

Then, Sir, we have also to consider the fact that the real policy is not framed in India. The defence policy cannot be framed in India, the war being an international war. It is not a war of India. The defence policy is framed in England. What would be the position of the Indian Defence Member *vis-a-vis* the British War Cabinet? If there is a clash between the policy of the two, then I think it will make the situation of India still worse. We should also like to know the relation of the Defence Member with the Commander-in-Chief. If there is a clash between the two, then again it will raise a very serious situation. These are all such complicated questions that they cannot be taken in hand at such a grave time as the present is. I quite agree with my Honourable friend Sir Shantidas Askuran when he said that this is not a time to play upon sentiments.

Then, Sir, as the Honourable Sir Shantidas Askuran has said, if you transfer the portfolio of Defence to an Indian and not the portfolio of Finance, a difficulty might arise as to how the Indian Defence Member will be able to carry out his schemes. The Honourable mover of the Resolution said that an Indian Member would be able to create more enthusiasm among the people of India than the Commander-in-Chief can do. Sir, I do not think that any

[Sir Muhammad Yakub.]

Defence Member at the present day can create any more enthusiasm than what we find in India. The feeling of despondence created in the country is due to the non-co-operation of the Congress and its Satyagraha movement and I think real patriotism would be to ask the Congress to change its attitude.

THE HONOURABLE THE PRESIDENT: Also the Muhammadans are non-co-operating.

THE HONOURABLE SIR MUHAMMAD YAKUB: Mr. President, Mr. Jinnah has declared on the floor of the House in the other place, and also from public platforms, that the Mussalmans are not non-co-operating with the Government in this war. They are not raising anti-war slogans; they are not going to jails to create a disturbance in the country and to harass the Government. The position of the Mussalmans is quite different from the position of the Congress. But if Mussalmans are dragged to adopt such methods as they have adopted, it would be due to the appeasing policy and the weak policy of the Government for which the Mussalmans are not to blame.

Mr. President, the Honourable mover of the Resolution has mentioned the pronouncement which Marshal Chiang-Kai-Shek has made before leaving India. I have great respect for the great Marshal from China who came to our help at this time of need, and a friend in need is a friend indeed. But, Sir, after coming to India, I am sorry to say that he placed himself in a very awkward position and he has placed the Indians also in a very awkward position. He was quite right in the beginning when he said that he did not come to India to interfere in the internal politics of the country and he was right in saying so. However great the Marshal may be, he cannot understand the internal politics of this country by staying here, in company with only one Party, for a few days, and the message which he has left behind him has created more resentment in this country than courage. He has compromised his position as well as the position of Indians. I think it would have been better for him to keep silent, and I make bold to say that not only he but all those who consider themselves experts on Indian affairs, those Englishmen, and foreigners, who come here for a few days and hob-nob with a particular section of the people and then consider themselves as experts, are hopelessly ignorant of the real conditions prevailing in India, and the pronouncements they make in England create wrong impressions and make the position still worse.

Some Honourable Members have pointed out that the Prime Minister is shortly going to make an announcement about India. I hope that Mr. Churchill will be very wise in making a cautious pronouncement. I think that at this juncture it would be extremely unwise to raise any controversy about constitutional changes in India or to discuss or to come to any decision about such changes. This is not a time when we can coolly and dispassionately discuss such problems, when we have got fire all round our house and our house is burning. So, Sir, I conclude by saying that it is not in any spirit of controversy that I have intervened in this debate, but really I think that Honourable Members should realise the gravity of the situation and see that by taking any haphazard step they do not place the Indian Member himself in an awkward position, the Indian Member who would be placed in charge of the defence of the country.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: But you don't want any Indian Defence Member?

THE HONOURABLE SIR MUHAMMAD YAKUB: Not at this juncture. I say that the position of the war is so grave that it would not be doing justice to an Indian to place him at the head of Defence. If the condition becomes worse the whole blame will be thrown upon him.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I want to know how will an Indian Defence Member who is non-existent find his position difficult?

THE HONOURABLE SIR MUHAMMAD YAKUB: If he were placed at the helm of the defence of India according to your Resolution, then what would be his position? The time is not ripe for undertaking a change like this and therefore I am very sorry that I am unable to support the Resolution in the form in which it has been moved.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce): Sir, I do not think I have on any occasion in the past heard a Resolution dealt with so ably on both sides in this House. There is, as we see, considerable difference of opinion. I am quite certain that I should find that difference of opinion if the House consisted entirely of Europeans instead of as it does, mainly of Indians. For that reason what I say expresses my own views, but I am quite sure it also expresses the views of a great number of Europeans.

Now I would like to say in the first place that the Government of India Act, 1935, does show, I think, that His Majesty's Government at that time—and there is no reason to believe that they have changed since—did contemplate and intend some such position as the Honourable mover of this Resolution wishes to see set up. So from that point of view we are following the lines laid down by His Majesty's Government. But the fact does remain that the position has changed considerably since 1935 or even 1937. From my personal point of view I believe in the principle that I have applied over the last 23 or 24 years in India, that is that I never willingly encourage the appointment of a European in India where I can find an Indian who is capable of doing the work and I do not think that in a case of this kind, in normal circumstances anyhow, one could say reasonably that you could not find an Indian who would make a good Defence Member. I think you could find a number of Indians who could do the job excellently and I could suggest several names. I do not know whether they are free at the moment for this particular post. But there it is, they exist. Well, I anticipated the Honourable Member's Resolution rather more than a year or two ago and I myself recommended His Majesty's Government, privately admittedly, to do exactly what the Honourable mover now suggests. I recommended it then on very much the same grounds on which he is recommending it now. But we were not then in the middle of a great war; we were on the verge of a great war, and my main reasons for putting forward my private view at that stage were that I did not believe that Federation would go through. If Federation had been in my opinion likely to fructify, I would not have thought it necessary to make that recommendation.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: What reply did you get?

THE HONOURABLE MR. R. H. PARKER : I think we shall all agree that there is a difference between an acknowledgment and a reply. Shall I say that I received an acknowledgment. Anyhow I put it this way, that if there was anything in the nature of a reply, which somebody might think there was—I do not think there was—but supposing there had been anything in the nature of a reply in the communication which I received, then it did not satisfy me. But then, I have to bear in mind, and I think we must all bear in mind, that there might have been reasons which they were not prepared to give me and perhaps they were right in not doing so. There might have been good reasons of which I am ignorant. For that reason, while I thoroughly agree with the recommendations of the Honourable Member in the general sense, I do say that I have my doubts as to whether this is the right time to give effect to them and that I am now in a different position from the position I was in when I definitely and wholeheartedly made that recommendation. It is to my mind a question of practicability. I do not know whether a new Defence Member, be he Indian or anybody else, would not take up so much time necessarily of the Commander-in-Chief and other experts as to do more harm than good. That is a possibility we cannot deny. I can only say that I hope this recommendation of this Council will be forwarded in the sense of a recommendation but qualified by what has already been said by my Honourable friend Sir Muhammad Yakub.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Mr. President, the Honourable Dr. Kunzru has dealt in his usual and thorough manner with the Resolution and I think it will be generally agreed, except by the die-hards of this House, that the Resolution is a very very moderate one. He has traced the question of a civilian Member of Defence from the year 1879 right up to 1942, and I do not wish to cover the ground that has been covered by him already.

The Honourable Mr. Parker, if he will permit me to say so, made an excellent speech. The first part of his speech was excellent, but the second part I could not understand. I do not know whether he is going to vote for this Resolution or not; he did not make it quite clear. The Honourable Mr. Parker was right in saying that the appointment of an Indian Defence Councillor was not ruled out by the Government of India Act, 1935. If Federation had been functioning it is possible that the Councillor in charge of Defence would have been an Indian. The Joint Select Committee did not say that he must be an Indian, but they did not rule out the possibility of an Indian being in charge of it. They did however consider that a change in the position of the Commander-in-Chief was necessary. Now, there are some people in this country who like to live in a world of unreality. They forget that they are living in 1942 and that during the last two and a half years we have traversed centuries and we are traversing centuries in minutes. When I was reading this morning the debate in the House of Commons and the House of Lords I felt that a revolution had taken place overnight in England as regards India. A man like Sir Richard Ackland, who has written two books, says: "Don't talk of Dominion status. Discard that word for heaven's sake. It does not suit the special conditions of India. Talk of independence". A man like Hore-Belisha who was Secretary of State for War and who made a good Secretary of State for War, who was Chairman of the National Liberal Party until the other day and who therefore cannot be regarded as a very extreme man, says: "Don't forget the lessons of Malaya and Burma. You failed in Malaya, you failed in Singapore, you have been failing in Burma so far,

you have failed in Hong Kong, because you under-estimated the strength of the enemy. You failed in those countries also because you did nothing to keep up the morale of the people". He has asserted that there was no enthusiastic co-operation between the people and the army in Malaya and in Singapore and the story is not very different in Burma. Now what is the reason for this lack of effective co-operation between the civilian population and the military people in these places? In England you do not have that sort of thing. There it is total war effort. Every Englishman feels that he has got something to preserve. Every Englishman feels that he must give the best that is in him to the cause of freedom. Why have you no controversy in Canada now? You had war controversies in Canada. Why have you no controversy now as regards an all out effort on the part of Canada? Why is Australia today an absolutely united country so far as the war effort is concerned? The reason is not very difficult. The reason is this. These people feel that they are fighting for the preservation of their liberties; they are fighting for the enlargement of human liberties also. Those were the ideals before them. Here Government have not supplied any moral leadership to the people; it has not supplied any moral leadership to the community. It has just believed in exploiting their fear complex. They say, "If we go away, the Germans come; if we go away, the Japanese come; if we go away, the Italians come". You are not able to defend yourselves. I wish to be perfectly frank. I am not a defeatist. Whatever my faults, whatever my virtues, there is one credit that I claim for myself, and that is consistency in my opposition to Fascism. But the man in the street says: "Look here. You talk about Japanese aggression, German aggression and Italian aggression. So far as I am concerned, I cannot get a square meal a day. My lot cannot be worse than it is. It really does not matter who rules me. I do not understand these high-sounding words 'democracy, social justice.' I do not see democracy, I do not see social justice, I do not see freedom in this country". You go and talk to people and you will find that there is in this country a basic indifference to the issues which this war has raised. Therefore it is not purely from the military point of view that you must approach this question of the appointment of an Indian Defence Member. The Indian Defence Member may or may not be more efficient from a purely military point of view. I am coming to that question also. You have to approach this question from the psychological point of view and if you put Defence in charge of an Indian, you will be showing to the people, you will be demonstrating to the people, that you intend to transfer power to the people and you will give to the people thereby a stake in the fortunes of this war and that is why an Indian Defence Member will be able to enlist a much larger measure of support and co-operation than the present Defence Member. I do not want to reflect on him in the slightest degree. I am sure he is a very distinguished soldier. We do not want to make his task harder than it is. It is from this point of view that an Indian Defence Member would be better. Now, Sir, the Honourable Sir Muhammad Yakub said a great many things which I could not follow. He started by saying that the mover of the Resolution had moved this Resolution with moderation and all that sort of thing. Then he went on to say that you could not get an Indian for running the Defence Department. But I should like to know this: Do the eight Indian Members of the Executive Council regard themselves as incompetent for holding the office of Defence? What particular experience—he was a captain in the army but that was not his principal qualification—of strategy, of army policy had Captain Margesson? What particular experience of war has that very distinguished Civil Servant, whom we knew in this country, Sir James Grigg?

THE HONOURABLE MR. R. H. PARKER : Fighting, that is the experience. (Laughter.)

THE HONOURABLE MR. P. N. SAPRU : The greatest Secretary of State for War that Britain had was, I believe, Lord Haldane, and he was a barrister and a philosopher. Well, I think, therefore, that it is the virtue, it is the supreme merit of a democracy, that it has a place both for the expert and for the amateur and the amateur has in democratic countries proved to be more suitable for parliamentary positions, for positions of guiding principle than the military expert. Who shoulders the responsibility for the lack of proper air support? The Minister for Air. Or, who is responsible for what happens if the submarine campaign is intensified? The First Lord of the Admiralty. Neither the Secretary of State for Air—he was at one time I think an officer in the British Army—nor the First Lord of the Admiralty, who was connected with the co-operative movement, were soldiers at all and if these men can handle the affairs of the Admiralty and the War Office why cannot we poor Indian politicians who take some interest at all events in international affairs?

The Honourable Sir Muhammad Yakub spoke at great length about the international situation. He blamed Ramsay Macdonald and Baldwin and Neville Chamberlain for the present war and he said we Indians do not know anything about the international situation or what the state of the international situation is, and I am not quite sure that he is as profound as he would like the House to make out to be. If I had time I could trace the history of the diplomatic world since 1918 or 1919 since the Treaty of Versailles and I could prove that his criticisms were neither altogether right nor fair nor just. I mean the present war is not merely due to the fact that England did not arm; it is also principally due to the fact that England did not stand by the principle of collective security, that England was not able to build up a proper peace front. No proper peace front could have been built in Europe without the active co-operation of the Soviet Union and the British Conservatives were for some reason or another not prepared for a deal with the Soviet Union. Therefore, I do not agree with the view that we cannot handle the foreign policy of the country just as well as British politicians can. If you leave out Mr. Churchill or if you leave out Sir Stafford Cripps today, who are the big figures in British politics? When I was at Oxford I knew Mr. Anthony Eden quite well. He was a contemporary of mine and I am proud of having regarded him as a friend in those days. Anyhow I am proud of a friend who has achieved the position of Secretary of State for Foreign Affairs. Well, he was a very clever man and I predicted a good future for him, but I do not think that there was anything very wonderful about him. I do not suffer from an inferiority complex. Given opportunity, given proper environment, I think I can do just as well—I am not saying this in a very boastful spirit; believe me, I am a very modest man—or for the matter of that there are hundreds of my countrymen who can do better than I. Therefore, if you spend your time either always thinking of yourself as the hub of the universe or craving for a certain distinction which you want to get for yourself, and if you go on working in that way you lose your perspective, and I am not surprised that in the evening of his life my Honourable friend Sir Muhammad Yakub, working in a semi-Fascist State, cannot see things properly in their proper perspective. (Laughter.)

I should have thought that the principle that the Executive Council should be expanded, agreement or no agreement, had already been accepted when the Executive Council was expanded. Did Mr. Amery wait for an

agreement between the Muslim League and the Congress before he appointed our esteemed Leader, the Honourable Sir Firoz Khan Noon and Dr. Raghavendra Rao and Mr. Aney to the expanded Executive Council? There was no agreement between the Congress and the Muslim League, yet the Executive Council was expanded and these gentlemen were entrusted with certain duties. Dr. Raghavendra Rao—I am very glad that he is here—is in charge of Civil Defence. Well, what experience had he or—

THE HONOURABLE THE PRESIDENT : Order, order. Please do not attack personalities.

THE HONOURABLE MR. P. N. SAPRU : Sir, I am saying this as a matter of compliment, because I think he will be able to run that Department because he has no experience of military affairs or he has never been in a nursing hospital. (Laughter.) I am sure of this because he is not a technical man, because he comes from the people and as he is in touch with the people he will be able to do his job much better than civil servants who spend their lives over disposing of files.

THE HONOURABLE THE PRESIDENT : Your time is up.

THE HONOURABLE MR. P. N. SAPRU : I shall also now bring my remarks to a close. Therefore, Sir, this question has got to be approached not from a narrow point of view. It has to be approached from a broad point of view and what you have to consider at this juncture when you cannot be too certain of what might happen in the international world, is what the effect of this suggestion will be on the psychology of the Indian people. I venture to think that an Indian Member would help to sustain the morale of the civilian people, would help to increase the efficiency of all the branches of the army and it is for this reason that I give my wholehearted support to this Resolution.

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

The Council re-assembled after Lunch at Half Past Two of the Clock, the Honourable the President in the Chair.

THE HONOURABLE SIR RAMUNNI MENON (Nominated Non-Official) : Sir, the Resolution which is now before the Council is in effect a part of a wider resolution which was sponsored the other day by the Non-Party Conference and which, I imagine, has already been despatched to the proper authorities. Looking at the Resolution, which we are considering today, on its intrinsic merits there will be large support in favour of it in normal times, as indeed for the wider resolution to which I have already referred. The point was raised in the course of the debate as to whether we could find competent men to take over the portfolios concerned. I have no hesitation in saying that in this country we can find competent and experienced people to take up any administrative portfolio in the charge of the Government of India, and if the availability of competent men were the only question at issue, it could be solved very easily. But I venture to submit that we have to examine this question not simply on its own intrinsic merits but in the larger context of the realities which exist in this country today. Even in normal times—and the present times are not at all normal—there would be considerable opposition to the wide change contemplated by the Non-Party Conference

[Sir Ramunni Menon.]

resolution. It has already been made clear that the Muslim League as a body will not tolerate it. To my mind that is sufficient argument for not proceeding with the Resolution along the lines suggested. However, let us consider the Resolution a little further, in relation to the conditions which exist today. As several Honourable Members have already remarked, we are in the midst of a great war, a life and death struggle, and that struggle is very near to us. It is in fact at our homes. Is this the time when we can safely change the position of the Commander-in-Chief of the defence forces in this country? Whatever may be said in favour of the Resolution, I am clearly of the opinion that this is not the opportune time for taking the step proposed.

Just a small matter—how will the Defence services react to such a change? Will they not feel that the prestige of the Commander-in-Chief, who has hitherto been occupying a very high position in the Cabinet of the country, has to a certain extent been reduced? I do not express any opinion on the justification of such an attitude, but I cannot help feeling that that will be the mental reaction of the Defence services.

Now, what are the difficulties which the Resolution which has been recommended to us is intended to solve? I take it that the difficulties are firstly in regard to the recruitment, training and equipment of a sufficient armed force in this country and secondly, that there is an apparent lack of enthusiasm in support of the war effort. I shall confine my remarks to the latter point. I admit that there is a certain amount of indifference or lack of emotional support in the country. What is that due to? It is mainly due to the fact that the two big political parties in the country have by their speeches, attitude and conduct, encouraged a sort of indifference in their followers. I do not think that the rectification of that mistake lies essentially with the Central Government; at any rate it is doubtful if it can be found on the lines indicated in the Resolution. How can we rectify that mistake? Speaking frankly, I do not think anything very much can be done by others; nor do I think that the lack of cordiality is a very serious matter, though I quite grant that it is a psychological factor of some influence in the furtherance of the war effort, and whatever could be done to bring about an improvement should be done. There can be no difference of opinion on that point. But will a change in the status of the Commander-in-Chief, will the appointment of an Indian as the Member in charge of Defence, bring about the necessary psychological change? As long as the Congress and the Muslim League maintain their present attitude I venture to say that it will not.

Then again, we saw in the papers the other day that the Commander-in-Chief in India has now not only the defence of India in his portfolio but the defence of Burma also. If that is so, how will his subordination to another Member in the Indian Cabinet affect his latter function? Further we must remember that we are not fighting an independent war. Whatever strategy the Government of India may resolve upon will have to be subordinate to the greater strategy which is determined by the War Cabinet in England. We have already been assured that an Indian representative will be on the British War Cabinet, so that, as far as the Indian point of view is concerned, we have got an effective means of making it heard in the highest quarters.

Then again, I think it will be a mistake to suppose that the Indian element is absolutely divorced from the conduct of the defence of this country. We have the Member for Civil Defence who is an Indian, and we have also the

National Defence Council which is a fairly representative body of Indians. So that, all these things considered, it seems to me that the change in the position of the Commander-in-Chief which is contemplated in this Resolution is not quite essential at present. How then, can we improve the present situation in regard to the war, which exists in this country? I think it is generally agreed that we cannot make any fundamental or drastic change in the existing constitution at the present time. So whatever steps we may take must be brought within the frame-work of the present constitution. Thus understood, it seems to me there are two courses of action which are open to us, one at the Centre and the other in the Provinces, and unless there is action in both I do not think any great improvement can be expected. It was with the greatest interest that I read in the papers yesterday that one of the points mentioned in the debate in the House of Commons to which reference has already been made by previous speakers was the constitution of a War Cabinet in this country. We do not know the details of the suggested War Cabinet; and I think it is rather unfortunate that the Honourable Pandit Kunzru has rejected that proposal outright. It seems to me that the proposal for a War Cabinet in India holds out some promise, some hope of providing a means of reconciliation and co-operation between conflicting parties in this country and of furthering war effort in India. I can well imagine that a small Cabinet including the representatives of the large Political Parties in this country, of the Indian Princes, the Commander-in-Chief and a few others all working under the control and direction of the Viceroy will be a very potent instrument for the furtherance of war effort in this country. I do not know whether any such body is likely to be brought into existence. If it is, I for my part shall be only too pleased. Secondly, an effort must be made to bring the popular governments back in the Provinces where they are not working now, not governments on the old lines but coalition governments. It is only in that way that we can really secure the necessary co-operation. If these two steps or steps along the lines I have indicated are taken, I have very little doubt that a great improvement can be effected in the situation regarding Indian war effort.

Before I sit down I should like to add this: we have to face the fact that the difficulties which are in front of us are really Indian difficulties, and no outside influence or pressure can really help in solving them. You cannot coerce any community, it does not matter which community it is, without producing a state of affairs in this country which nobody can contemplate with equanimity. I should also like to give expression to my feeling that it will be extremely desirable for all public men, political parties and the press to refrain from making provocative utterances in regard to political views held by those who differ from them. That itself will be a very great, though indirect, contribution to the war effort.

THE HONOURABLE SARDAR BAHADUR SOBHA SINGH (Nominated Non-Official): Sir, I think the Resolution as it stands is quite clear and a simple one. I do not think it is in any way, as some of my friends have thought, a slur on His Excellency the Commander-in-Chief or that it minimises his importance as the head of the Army. I know, as all of you know, that His Excellency the Commander-in-Chief is very highly respected by all sections of the Army in India. They feel proud of having such an experienced soldier at their head. Far from minimising His Excellency the Commander-in-Chief's importance, I feel that the appointment of an Indian as Defence Member will strengthen His Excellency's hands. The times not only require some

[Sardar Bahadur Sobha Singh.]

kind of a political gesture but they do require taking of the people into confidence and I feel that the Resolution is an opportune one.

Some Honourable Members think that an Indian Defence Member, while there is a European Finance Member, will experience lack of co-operation. I do not agree with them. I personally feel that an Indian Defence Member, with the help of His Excellency the Commander-in-Chief, will get more things done and will be able to secure more help from the Finance Department than probably His Excellency now can do under the present circumstances. He will be a greater strength and force behind the war efforts. And I have no doubt that Indian genius can produce many competent people to fill the post. I can say with confidence that the Leader of our House, Sir Firoz Khan Noon, born and brought up in the military traditions of his family and with Parliamentary experience to his credit, and many others, are eminently fitted to discharge the onerous duties of Defence Member. And I can say that there are many Ruling Princes who could ably fill the post of Defence Member in British India. Whether they would like to do so I cannot say. They might think that such a course would be considered as an interference by British Indians in their affairs. But I know that some of them are very competent to take up this post. I think, Sir, this is a very good opportunity and Government should accept this proposal and give India an opportunity to do the best she can to help the war effort. I support this Resolution.

*THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, I am in perfect agreement with the general principle which underlies the demand that is made in this Resolution, the demand for Indianizing the Viceroy's Executive Council. I am of opinion—and some other Honourable Members who have spoken before me have also expressed likewise—that it is not only the Defence portfolio but other portfolios, of Finance, Home and Communications, administered in the Viceroy's Executive Council should be administered by Indians. I am also of opinion that there is no dearth of talent in the country. We shall be able to find many an Indian who would be eminently fit to discharge the onerous duties which the Defence Member has got to perform, people who would be perfectly in a position to administer this portfolio of Defence quite capably, efficiently and creditably. Sir, if you, however, want Indianization, it should be Indianization in its real sense, in the sense that Members of the Executive Council should be not only capable, honourable, efficient Indians but they should also be the real representatives of the people in the country. Unless this is done we shall be simply toying with a shadow, leaving behind us the substance of what actually ought to be done to improve conditions in the country.

As regards the specific suggestion that has been made in this Resolution, I will take up the objects for which this recommendation is proposed to be made to the Governor General in Council. My Honourable friend Pandit Kunzru says that his object in recommending this change is twofold. Firstly, he wants that the primary responsibility for the protection of the country should fall on Indian shoulders. Sir, let us examine whether by giving effect to the suggestion which my Honourable friend makes we shall be able to encompass this object. The object of putting responsibility on the shoulders of the people in the country could be achieved only if the people as a whole

are made to feel that the defence of India is not the exclusive concern of the British Government but it is they themselves who are mainly responsible for it. This sense of responsibility, it is quite obvious, could be induced only when the people know when they feel that the Indian who is in charge of Defence portfolio is one who is their representative and one who in the carrying out of his duties is expected to give due regard to public opinion in the country. This attitude on the part of the people could not be brought about by the mere fact that an Indian happens to be in charge of Defence. It would be impossible to bring about this attitude even though the Indian who might happen to be in charge of the Defence portfolio might be an efficient, capable, honourable and respected Indian. What do we see in England? Do we doubt that Mr. Lloyd George is one of the most eminent Englishmen in Britain?

THE HONOURABLE MR. R. H. PARKER : He is a Welshman.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Why is it that he is not in the Cabinet? Why is it that Mr. Lloyd George who saved England in the last war is kept out of the Cabinet. The obvious, simple, reason is that he has no following in the country. He is not in the Cabinet because he cannot claim to represent a large body of public opinion. He is not there because he is not answerable to that body of public opinion. Therefore, the fact that the individual who is on the Cabinet is a real representative of the people, is answerable to the people, is the one fact which matters. This is one quintessence of the thing which would be lacking if we merely give effect to the recommendation made in the Resolution.

THE HONOURABLE MR. R. H. PARKER : What about the case of Sir James Grigg? He is not particularly representative of the people. He is there merely for his ability.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Not merely ability, but you want people to feel that they are in the thing completely. If you want them to feel you must give them grounds to think that they have a real voice in the governance of the country, that they are in a position to control the actions of the representatives in the Cabinet. Unless that is done, this would be merely tinkering with the thing which would far from encompassing the object for which it is meant be likely to have the reverse effect.

Now, Sir, the other object is to prepare the country fully for its defence. This object too could not be achieved unless the Indian Member in the Cabinet is a real representative of the people, because it is quite patent that unless the Indian in charge of this portfolio is one in whom there is implicit confidence reposed by the people at large there cannot be that enthusiasm in the country which would go to induce the country to put forth its utmost efforts. I do not think I need labour this point any more. I would simply draw the attention of this House to what recently happened in England. Even Mr. Churchill, the mighty Mr. Churchill, who is looked upon as the one individual who could save England, even he had to bow before public opinion. He was forced to throw overboard his old colleague Lord Beaverbrook and take instead Sir Stafford Cripps. It was due to the pressure of public opinion. It is the authority with which public opinion is invested that makes all the difference. Unless this aspect of the matter is fully kept in mind, any change that is made would not have the desired effect and as I said it might even prove more disastrous than helpful.

* Not corrected by the Honourable Member.

[Saiyed Mohamed Padshah Sahib Bahadur.]

As regards the statement which is very anxiously awaited in the country, the statement to be made by the Premier, I would just say one word. I would repeat what some of my Honourable friends who have preceded me have said. The Prime Minister would do well to take great care and caution in making this statement, that he should be very cautious in what he says. These are very critical times, times when no one, particularly those who are at the helm of affairs, can afford to take any risks. The statement which is meant to improve the situation in the country must be such as would really go to improve it. It should not be one which might even in the remotest manner go to exasperate any section of opinion in the country. My Honour-

3 P. M. able friend Sir Ramunni Menon, who is known for the moderation of his views, for the sobriety of his views, even Sir Ramunni Menon found it necessary that he should also sound a warning in this respect. He said that this statement should be such as would not have the slightest effect of coercing any section of the people or any community and that it should not be such as to coerce the Muslim League or the Congress. As I have said, Sir, it is well known that war effort is being made in the country. It is a fact, it is an unfortunate fact that the maximum effort is not being put forward but there is still an effort going on in the country. There are people offering their services, people offering their lives, people offering their money, people who contribute in men and material and anything that might have the slightest effect of changing the situation in the country, for a reverse would have very disastrous effects. The Muslim League has all along been making it clear that it is not hostile to the war effort, that it does not want to embarrass the Government in its war effort. It has made it perfectly clear and it is because of this realistic, of this responsible attitude on the part of the Muslim League that you see thousands and tens of thousands of the Muslim youth offering themselves as volunteers, offering themselves for commissions in the war.

THE HONOURABLE THE PRESIDENT : Please bring your remarks to a close.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR : I will do it in a few moments, Sir. My submission is that unless this care is taken, unless the authorities take good care that they do not do anything which might go to worsen the situation in this country it would be better that no statement at all is made. As has been observed by some of my Honourable friends who have spoken before me the remedy for the situation presented in the country lies in the country itself. No extraneous power, no outside authority could bring about the desired change, the desired improvement in the country. If there is to be a real improvement in the state of affairs, the improvement has got to be brought about somehow by making the two major parties in the country to come together and to put their energies, their efforts, together. Unless this is done, unless whatever is done is a thing which goes to bring about this kind of result in the country, any statement that will be made would go merely to worsen the situation.

Again, Sir, there is one word which I should like to say about the—

THE HONOURABLE THE PRESIDENT : Your time is exhausted.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Very well, Sir. I feel that I cannot but oppose this Resolution.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : I rise to support the Resolution so ably moved by my Honourable friend Dr. Kunzru. My Honourable friend Sir Ramunni Menon suggested in his speech that this was a new proposal altogether and it was part of the proposals made by the Non-Party Conference. May I bring to his notice, Sir, that this very proposal was discussed and debated in the other place in the year 1921 ?

THE HONOURABLE SIR RAMUNNI MENON : May I explain, Sir ? I never said—I don't remember having said at any rate—that it was a new proposal at all.

THE HONOURABLE MR. V. V. KALIKAR : The Honourable Member said that it was a part of the proposal made by the Non-Party Conference.

THE HONOURABLE SIR RAMUNNI MENON : I was only stating a matter of fact. I did not make any reference to its novelty or to its being an old one.

THE HONOURABLE MR. V. V. KALIKAR : I agree that it is a part of the proposals that were made by the Sapru Conference, but, Sir, I must bring to the notice of this House that this is not absolutely a new proposal that is being discussed on the floor of the House today. The proposal was discussed and debated long ago—21 years ago—when the other House discussed the Esher Committee's proposals.

THE HONOURABLE THE PRESIDENT : Mr. Kunzru has already explained that fully.

THE HONOURABLE MR. V. V. KALIKAR : Sir, therefore, why I bring this fact to the notice of the House is that if the proposal had been accepted at that time we would not have found ourselves in the position that we have to face today. I look at the proposal, Sir, from two points of view : from a constitutional point of view and from a practical point of view. If you look at the proposal from a constitutional point of view, if Britain is honest in her desire that India should gain the status of equal partnership in the British Commonwealth then in that case the Defence must be the concern of Indians and not of the British. If that position is to be conceded and has been conceded by various statesmen this is an opportune moment that they make an announcement to the effect that the responsibility for the defence of India must be transferred immediately to Indian hands. I was very sorry, Sir, to hear a discordant note sounded in this House during this debate about inopportune moment, about the difficulty of having a Defence Member, an Indian Defence Member, in charge of the Defence portfolio, when we find that our worthy Indians have administered in the past and are also administering at present efficiently the various departments that have been entrusted to their charge. It is a slur on India to say that we cannot find competent men.

Well, Sir, I want to address myself for a few moments to the practical side of the question. Sir, those who have to deal with this affair—and I am one of those who have been tackling this problem for the last nine years in this House—are faced with a very grave situation in the country now in view of the policy followed by Britain up till now. If Britain had trained Indians, if Britain had encouraged Indians to shoulder responsibility for the defence of this country, the situation that we have to face now would never have arisen. Sir, I quite agree with my Honourable friend Mr. Sapru when he says that the man

[Mr. V. V. Kalikar.]

in the street is indifferent to the present conditions. Sir, we have to encourage young men to enter the Defence forces of India by impressing upon them that the present war has not only reached the doors of India but is actually in India and therefore it must be regarded as our problem. If British statesmen had not followed the policy they have been doing, if Burma had not been separated from India, then this war would not have been thought of as Britain's war. Though Britain has separated Burma from India, in her own interests we must look at it from the practical point of view, and as the war is in Burma, Indians must consider that the war has come to India. The Indians must feel that it is now their responsibility to defend their hearth and home. You cannot create enthusiasm among the people to face the situation bravely without bringing to their notice the fact that they are the defenders of this land and that Indians are responsible for the defence of this country. The political parties may disagree, but the two political parties in India do not mean India. I do not hold any brief for the Congress and I have my differences with them. But, after the war started, the Congress in its Poona Resolution decided to give complete support to the war efforts of the British Government if they would concede their demand of establishing a national Government. Technical objections were raised then, and in some quarters are raised even now, that without an amendment of the Government of India Act this question cannot be solved. Able lawyers in India like Sir Tej Bahadur Sapru and others think that an amendment of the Government of India Act is not needed for putting the proposal of the Honourable Mr. Kunzru into practice. Even conceding the point that the Act requires amendment, I submit that if Britain desires, she cannot find any difficulty in getting the Act amended. The Government of India Act has been amended so many times after the outbreak of the war. It is no use putting forward that argument. The question is whether you can create that sort of enthusiasm which is required for sustaining the morale of the people of India for resisting foreign aggression when Indians know that they are not masters in their own land and that they have not got any responsibility for defending their country. I quite agree that the proposal in this Resolution is not sufficient to create that enthusiasm. We want the whole Executive Council to be Indianized, so that people in India may feel that they are responsible for the defence of their country and that they have to be courageous enough to resist foreign aggression. It is only by adopting these measures that you can ask the people in India to fight against foreign aggressors for their own interests and not for the interests of the British. The past policy of the British Government has practically emasculated India. The British statesmen say that there is want of equipment. But who is responsible for this? India has vast raw material and 400 millions of population. British imperialism would not use this material and the population for the war purposes because of their policy of distrust. It is no use crying over spilt milk. I am glad to read in today's papers that an announcement is to be made by the British Government. Sir, I hope that no time will be lost in making that announcement so as to place the responsibility of administering and defending this country in the hands of Indians. Sir, I do not want to take notice of the remarks which were made from some quarters of this House today because I think that those remarks would not in any way help us to solve this difficulty. What I submit is this, that if even now the British statesmen find a pretext of postponing proposals for further reforms, if I may say so, on the ill-advice tendered from some quarters, not only they will come to grief but we will also come to grief. It is for them now to realise the situation. They have got full experience about it in Malaya, Singapore and some parts of Burma. If

after this experience wisdom does not dawn upon them, I submit that not only they but also we will be the sufferers. We in India, whether we belong to the Congress Party or the Hindu Sabha Party or the Muslim League Party, do not desire a change of masters. We want to be our own masters in our own house. If that situation has to be faced, I think Britain will now consider seriously before it is too late and ask India to shoulder her responsibility for the defence of the country. I submit that the proposal that my Honourable friend Mr. Kunzru has put before this House at this juncture is a very modest proposal.

One word more with your permission, Sir. I am referring to the remarks made by the Leader of the House. I am sorry he is not here. The remarks that he made were to the effect that he would forward this debate to the higher authorities. My Honourable friend Mr. Kunzru does not want the Leader of the House to forward the debate to the higher authorities. He wants the Executive Council of the present Government to represent to the higher authorities that such and such a thing ought to be done. Mere transmission is not wanted at this juncture. Post office work can be done by anybody. Now, Sir, there are seven Indians in the Executive Council. It is not only their duty but also the duty of the European element in the Executive Council to represent to the higher authorities that unless they transfer power to Indian hands India cannot be saved and cannot be defended. I therefore strongly support the Resolution.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, I am indeed very sorry to have, for the reason which I will mention, to oppose such a patriotic Resolution, a Resolution which in my opinion deserves such treatment in the House that it should be passed by all standing. My only reason for opposing this Resolution is that it is a little premature, and by that I mean that it is probably only a few days before time. The utility of the Resolution very much depends upon the announcement which is expected to be made by the Premier of England shortly. Let us see whether an appointment of an Indian would be useful to the people of India or not if the announcement is not acceptable to the country. If it is not then it should not be pressed. India is in a worse position than any other country in the world. There is external aggression. The war is at our very threshold. The internal situation is still more acute and is one which does not exist in any other country in the world. There are three parties in this country today which are all fighting with each other, no one making common cause with the other, the Mussulmans, the Hindus and the British Government. Ours is certainly a domestic quarrel. That quarrel can always be made up if the British were a little sympathetic towards us. The larger questions like the framing of the constitution, etc., could be postponed till after the war. In fact Mr. Jinnah said that he was quite prepared to keep in abeyance the question of Pakistan till after the war. I would have thought that it would be possible for all the three parties at least in the present juncture, which is peculiar in the history of the world, to join hands to face the common danger. The Government has been condemned on this question by everybody and I think it deserves that condemnation. It does not now even appear to defend itself. We are also to be blamed to a certain extent. I do not shirk our own responsibility, but the greatest responsibility lies with the British people. For the British people this war is a war of life and death, and I have no hesitation in saying that any nation defeated in this war cannot dream of rising for centuries. The British people profess to be trustees of this country and its people. How are they discharging their trust? They have made this country thoroughly impotent to defend itself or even of being much use to the defenders. Not only that, but the unpreparedness of the British itself is criminal. They have been condemned by their own people. But with us it is different. They were

[Haji Syed Muhammad Husain.]

free people. It was open to them to devise means for defence, but we were not free people. We depended on them. We trusted their words. They said, "We will defend you", and at this hour we find ourselves in a most hopeless condition. We are asking them today to give us freedom so that we should defend ourselves and co-operate with them. We will do everything that lies in our power not only to defend ourselves but to defend the civilisation, but they do not listen to us. The blame is put upon Indians and it is said, "You do not agree among yourselves; how is it possible for us to give you freedom? Who is to take it?" Is it not possible for the British Government to declare that "We give you freedom today; you make your own constitution and we will accept it". If they say that they will put us in the wrong, and I believe that I am not far wrong in saying that it will not take a week for the Hindu-Muslim question to be settled. It is only because there are so many "ifs" and "buts" and conditions to this declaration that it does not satisfy anybody.

Now, Sir, as regards the present question, beside many other arguments, the strongest argument in favour of appointing an Indian Defence Member is that it will affect the mentality of the people of India and they may be persuaded to believe that it is their war. If that had been so I would be the first person to support this Resolution. The unfortunate thing is that in spite of there being seven Indian Members in the Executive Council and everyone of them patriotic, eminent and able, and in spite of many of them having done great services to the country, they do not inspire confidence in the mind of public. They themselves feel that they are there against the wishes of the people. If you add to them one more without the settlement of the larger question, what will be the effect of it? I say that the utility of the appointment of an Indian Member will be nil. Not only that, but probably it may do a little harm inasmuch as that the people of India who are not yet satisfied with what the Government is prepared to do by this Act may get the impression that the Government wants to break away people from them, induce them to come to its side and give them appointments. They will be placed in a position which would be, I must say, unenviable. It is for the Government, not only this Government but any Government to act at this moment in a manner which would inspire confidence among the people whose resources they want for the purposes of the war. In fact the present policy of the Government to try to please everybody has displeased all. The British Government is thoroughly undecided at this moment when it should be firm in some policy or the other. This is no time for the British people to shilly shally over a question of such importance if they really want to secure the co-operation of Indians. India is not only a country but a continent and can produce millions of people and if they could be supplied with war materials by the British or their Allies, Japan, Germany or their friends will never be able to turn their eyes towards India. It is the uncertain policy which is responsible for it. The Government is not ready even to do this. That if it cannot satisfy the public demands it should go ahead firmly with such people who are prepared to co-operate with it. There is a Party which is prepared to co-operate and in fact their demands are more modest than that of the Congress or the League; but the Government is not even prepared to go to that extent. Now, in the circumstances, I would really appeal to my Honourable friend Dr. Kunzru that a Resolution of such importance, a Resolution so patriotic, a Resolution so necessary, should not be put in danger of being lost. I would request him, if it is possible with the permission of the Honourable the President and the House, to withdraw this Resolution and try to put it in the last ballot if he can, because I honestly feel that until larger questions are settled one

way or the other, there will be no utility of this recommendation and even if this recommendation is accepted, it might create too many troubles.

THE HONOURABLE MR. N. K. DAS (Orissa : Non-Muhammādan) : Sir, some apprehensions have been felt among some Members that the appointment of a non-official Defence Member, at this critical stage of the war, would not inspire confidence; and that, therefore, times are inopportune for a change. I maintain, Sir, that it is this very crucial moment when a non-official Indian should be placed in charge of the portfolio of Defence, leaving the Commander-in-Chief to work out the strategy and technique of the war.

Sir, I know, from experience and keen observation in my province in Orissa where, after the Congress resigned office, a popular ministry has again been formed—perhaps this is the only singular instance—and has been functioning for the last four months—war efforts have been taken up in right earnest and has been inspiring much more enthusiasm than it had been hitherto. The Ministers, while on their tours, are able to put things in their proper perspective to the masses and people have been beginning to think that it is more or less their war and that they have to do all they can to save their country. People who have confidence in their own men, at the helm of affairs, naturally confide in their words and come up in men, money and material to do their bit for the war.

It is, therefore, Sir, the most opportune moment, when a dramatic change over in the Defence portfolio, will go a great way in catching the popular imagination and will inspire them with confidence and instil enthusiasm into the people and raise their morale to bend all their energies to resistance.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Mr. President I am glad to find that my Resolution has met with a great deal of support in, this House, much greater than I thought it would receive when I tabled it. That there has been opposition is not surprising. It was to be expected. But I am not in the slightest degree discouraged by it, because it seems to me that it is based on what appears to be a complete misapprehension of the situation. Two main objections have been urged in some quarters against the Resolution. One is that the appointment of an Indian as Defence Member will not evoke enthusiasm at the present time. Now I gave several reasons for suggesting the appointment of an Indian Defence Member. One was that an Indian Defence Member would be able to appeal more effectively to the people than a British Commander-in-Chief. One may say that the situation is so difficult that an Indian Defence Member will not have sufficient time to discharge fully the task that may be entrusted to him. It is obvious that if an Indian Defence Member had been appointed a few months ago he would have had more time to carry on effective propaganda and to convince the people that he was following a national policy and that it was of the utmost importance in the interest of the safety of the country that his appeals should be enthusiastically responded to but there is no doubt that his appointment even now will show to the country that the most difficult problem which we are called upon to deal with at the present time will be solved in accordance with Indian interests.

Again, Sir, I pointed out another reason in favour of the course suggested by me. Dealing with the question of military defence I dealt briefly with

[Pandit Hirday Nath Kunzru.]

British policy in this country during the last seventy years and pointed out how, if there had been an Indian Defence Member, our position would have been much stronger than it is. Even now I think we can strengthen our position if we get an Indian Defence Member. By way of illustration I refer to Australia. Australia was as much interested in the defence of Singapore as we were. Australia was thoroughly dissatisfied with British policy. It indignantly repudiated the British point of view that the defence of England mattered more than anything else at present and that the success of the enemy in the outlying parts of the Empire, would not cause a serious weakening of the British will to resist or the ability of the British people to defeat the enemy. The Australian Ministers protested against this view and I think have partially succeeded in inducing the British authorities to supply them with the material which they stand in need of. Had India been self-governing, had India even had an Indian Defence Member, I have no doubt that India would have made the necessary representations much earlier and that its voice would have been listened to with much greater attention than it is at the present time. However difficult the times, therefore, may be even if during the short period at our disposal in order to prepare ourselves to meet the enemy we get an Indian Defence Member I have no doubt that he will be able to get the material required for the defence of the country much earlier than we shall be able to under the present arrangements. It is quite clear, therefore, that the appointment of an Indian Defence Member cannot be postponed till the war is over. The danger in which we are involved, and the short time at our disposal for making the necessary preparations are arguments not for objecting to the appointment of an Indian Defence Member but for insisting on it. If anything can be done at present I am sure it can be done wholeheartedly only when the people of India feel that they have the necessary power in their hands. Besides it is just at this time that the Commander-in-Chief should be left free to devote all his time to his military duties.

The other objection urged against my Resolution was that it would not give equal satisfaction to all communities, and the Honourable Mr. Padshah said vehemently that unless the changes that were made were in accordance with public opinion the result might even be disastrous. I should not like to follow the Honourable Member in using strong language but let us see in the light of facts whether there need be any apprehension on the part of any community that its interests would be jeopardised if my Resolution were accepted.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR : It was only a warning.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I am entitled to say that he opposes my Resolution on the ground that it might fail to give satisfaction to all communities, and it is for this reason that I ask the Council to consider the existing situation for a moment. The Viceroy's Executive Council has been expanded, expanded against the views of certain political bodies in this country, and what has been the result of the expansion ? Have the interests of any community been injured thereby ? I know that the expansion has not given satisfaction to the Congress and the Muslim League ; it has not given satisfaction to any political party in this country, but the fact remains that the addition of more Indians to the Executive Council, however limited the power transferred to them, has in a certain measure strengthened the Government without injuring the interests of any particular community.

If this is the situation at the present time, why need we fear that the transfer of the Defence portfolio to an Indian will place the either the Congress or the Muslim League in a difficult position ? I think, Sir, if we look at the facts we shall not be impressed by the strong language used by Mr. Padshah or the threat held out by him. No one here has asked that complete power should be placed in the hands of one section of the population. Nobody has said that the interests of the minorities should be allowed to go by the board. Our views with regard to the legitimate interests of the minorities may be different from theirs, but we are as anxious as any community in this country, or any political party, that the legitimate rights and interests of all communities should be adequately safeguarded in the future constitution. Therefore, Sir, in spite of what Mr. Padshah has said, I feel and strongly feel that the appointment of an Indian Defence Member will instead of weakening the Government or creating trouble in the country by a welcome sign today of the determination of the British Government to place final power in the hands of Indians.

Sir, there is just one word more that I should like to say before I resume my seat. Some Honourable Members have expressed a little apprehension with regard to the announcement which the Prime Minister is expected to make. My Honourable friend Mr. Padshah said that he hoped that it would be careful and cautious. I, on the other hand, hope that it will be bold and statesman-like. No tinkering with the problem will be of the slightest use at the present juncture. What is necessary at the present time is the complete nationalisation of the Central Government. Nothing but that will enable Government to harness the full energy of the country for the intensification of the war effort. Merely the addition of a few Members to the Viceroy's Executive Council or the creation of a War Cabinet, leaving the Executive Council as it is, will not meet the requirements of the situation. The British Government must take its courage in both hands and entrust the government of the country completely and without any reservation to its trusted representatives. It is only in this way that the situation can be met now. We may be in the midst of serious danger. But if we are ever to be in a position to meet it successfully, it is necessary that the character of the Central Government should be radically changed. We may meet with reverses initially, but I have no doubt that the will of the people to resist the invader will become stronger and stronger as time goes on and that they will co-operate energetically with the Government in driving him out of the country. But, should the British Government act in a spirit of timidity, should it even at the present time seek to keep vital power in its own hands, then I am afraid that the time will never come when a united country will be able to co-operate enthusiastically with the Government. I trust, therefore, that the British Government realising even in this crisis what the establishment of self-government in other countries has meant, will boldly part with power in India and invite Indians as equal partners to join in the defence of the Empire and the cause of freedom and democracy throughout the world.

THE HONOURABLE THE PRESIDENT : Resolution moved :—

"That this Council recommends to the Governor General in Council to represent to the higher authorities that in order to place the primary responsibility for the protection of the country on Indian shoulders and to prepare the country fully for its defence the portfolio of Defence in the Viceroy's Executive Council which is now held by the Commander-in-Chief should be entrusted to a non-official Indian."

AYES—11.

Question put : the Council divided :—

Askuran, Hon. Sir Shantidas.	Kunzru, Hon. Pandit Hirday Nath.
Ataullah Khan Tarar, Hon. Chaudhri.	Parker, Hon. Mr. R. H.
Dalal, Hon. Mr. M. N.	Ram Saran Das, Hon. Rai Bahadur Lala.
Das, Hon. Mr. N. K.	Sapru, Hon. Mr. P. N.
Devadoss, Hon. Sir David.	Sobha Singh, Hon. Sardar Bahadur.
Kaliker, Hon. Mr. V. V.	

NOES—5.

Khurshid Ali Khan, Hon. Nawabzada.	Muhammad Yakub, Hon. Sir.
Menon, Hon. Sir Ramunni.	Padshah Sahib Bahadur, Hon. Saiyed
Muhammad Hussain, Hon. Haji Syed.	Mohamed.

The Motion was adopted.

INDIAN COMPANIES (AMENDMENT) BILL.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce) : Sir, I beg to move for leave to introduce :—

"A Bill further to amend the Indian Companies Act, 1913."

I think it will be convenient if I do not add anything to the Statement of Objects and Reasons at this stage and leave anything I may have to say till later.

The Motion was adopted.

THE HONOURABLE MR. R. H. PARKER : Sir, I introduce the Bill.

RESOLUTION RE PROGRESS OF THE WAR.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, the Resolution standing in my name runs as follows :—

"That this Council recommends to the Governor General in Council to adopt means to keep the Members of the Central Legislature informed of the progress of war on various theatres and of the measures taken in that connection with as much details as possible under the war conditions."

THE HONOURABLE THE PRESIDENT : I only wish to point out to the Honourable Member that an opportunity is to be given very shortly for a secret session to be held and in those circumstances does he wish to move this Resolution ?

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : But that does not cover future information.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : I have myself considered the holding of a secret session, and we can even then find out whether this practice will be kept up or not. Therefore, I do not consider it necessary and request permission to withdraw my Resolution.

THE HONOURABLE MR. P. N. SAPRU : I object to the withdrawal of the Resolution.

THE HONOURABLE THE PRESIDENT : The Honourable Member has not actually moved the Resolution. He has only read it. If he had moved it, it would have been open to any Member to take an objection, but at this stage the objection does not lie, and it is for the Honourable Member to choose whether he wishes to move his Resolution or not.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : I do not propose to move the Resolution.

THE HONOURABLE THE PRESIDENT : Thank you.

The Council then adjourned till Half Past Five of the Clock on Saturday, the 28th February, 1942.

COUNCIL OF STATE.

Saturday, 28th February, 1942.

The Council met in the Council Chamber of the Council House at Half Past Five of the Clock, the Honourable the President in the Chair.

PRESENTATION OF THE GENERAL BUDGET, 1942-43.

THE HONOURABLE MR. C. E. JONES (Finance Secretary): Sir, I have the honour to present the revised estimates of revenue and expenditure of the Governor General in Council in respect of subjects other than railways for the year 1941-42, and the corresponding estimates of revenue and expenditure for the year 1942-43.

2. This is the third war budget which it has fallen to my lot to bring before this House, and each successive year has seen the grim conflict which began in that fateful autumn of the year 1939 become more intense and more widespread until it has now become, in fact as in name, a World War. As the struggle has progressively extended from country to country and from continent to continent, so has it and the conditions created by it increasingly affected the economic structure of this country, so that it is no exaggeration to say that at the present time it dominates every facet of our economic life and directly affects the living conditions of every member of the community, even to the very humblest. In Part II of the Explanatory Memorandum, a new departure which it is believed Honourable Members will welcome, will be found statistical information regarding the trend during the course of the war of various important aspects of our national life such as the level of prices, the cost of living, the import and export trade, the volume of currency in circulation, and so on. The factors there portrayed cannot be properly viewed in isolation as they are all closely inter-dependent and inter-related and, in combination with the extreme pressure on the industrial capacity of the country for the production of war supplies, and the rapidly growing defence measures with its inevitable corollary of steeply rising war expenditure, form the background against which the budget proposals have to be considered. In so far as it is possible to single out features of particular significance, special mention might perhaps be made of the utilisation to full capacity of India's industrial potential which has resulted in a great increase in employment, a larger national income, rapidly growing defence expenditure, rapid expansion of rupee currency in India and of sterling resources in England. These factors have resulted in a rising pressure of domestic and external demand on the total volume of consumable goods in India, which in certain directions are developing shortages as against the expanding demand. These indicate considerations which will require attention if India's economy is to be kept on an even keel in the midst of the severe stresses and strains of a war on the scale of that in which we are now involved. So far as the near future is concerned we must necessarily take into account the deterioration in the Eastern theatre of war, the threat to sea communications and the overburdening of available means of transport within the country, which for a time cannot but affect adversely its economic activity.

[Mr. C. E. Jones.]

3. Before we come to consider the revised estimates for the current year a brief reference might first be made to the final results for the financial year 1940-41. The deficit on revenue account which, according to the revised estimates presented last year, was expected to be Rs. 8,42 lakhs in actual fact amounted to Rs. 6,53 lakhs. The improvement of Rs. 1,89 lakhs was the net result of an improvement of revenue by Rs. 3,94 lakhs and an increase in expenditure of Rs. 2,05 lakhs. The latter was almost entirely on account of Defence, where the difficulties of close estimation in present conditions will be readily appreciated. Of the increase in revenue, Rs. 2,20 lakhs or more than half came in the form of a larger contribution from the Railways for the reasons explained in the Railway Budget Speech last week, while Income-tax accounted for an additional Rs. 96 lakhs and Central Excise Duties for an extra Rs. 99 lakhs. As a result of the improvement in Income-Tax receipts the divisible pool shared with the Provinces rose from Rs. 16,47 lakhs to Rs. 18,08 lakhs, thereby increasing the share payable to the Provinces from Rs. 3,73 lakhs to Rs. 4,54 lakhs. The balance of Rs. 81 lakhs will be paid to the Provinces along with their share for the current year.

4. The revised estimates for the current financial year 1941-42 are as follows:—

	(In lakhs of rupees.)		
	Budget.	Revised.	Improvement (+) Worsening (—)
Net Defence expenditure	84,13	102,45	—18,32
Civil expenditure	42,72	44,44	—1,72
Total expenditure	126,85	146,89	—20,04
Total revenue	113,00	129,62	+ 16,62
Deficit (—)	—13,85	—17,27	—3,42

thus showing an increase in the year's deficit of Rs. 3,42 lakhs as the net result of an improvement in revenue of Rs. 16,62 lakhs and an increase in expenditure, mainly on account of the Defence services, of Rs. 20,04 lakhs. I will proceed to explain the main contributory reasons for these variations.

5. Of the Rs. 16,62 lakhs increase in revenue Rs. 8,94 lakhs or well over half is accounted for by the fact that, as explained in the Railway budget, the net contribution from the railways to general revenues is expected to amount to as much as Rs. 19,12 lakhs as against Rs. 10,18 lakhs provided in the budget estimates. The net surplus of the other great commercial Department of Government, the Posts and Telegraphs Department, which will be taken to general revenues, is expected now to amount to Rs. 3,19 lakhs, or Rs. 1,79 lakhs more than was provided in the budget, as a result of the growth in all branches of traffic, especially the telegraphs and telephones which have been worked practically to full capacity. Under Currency and Mint there is an improvement of Rs. 1,21 lakhs, the bulk of which represents the increase in the surplus profits of the Reserve Bank of India for the year ending 30th June, 1941, and the balance the profits on foreign orders for coinage and notes which have been executed in our Mints and Currency Note Press. We anticipate that our Customs receipts for the year will exceed the budget figure by about a crore in spite of the deterioration in the last month or two consequent upon Japan's entry into the war, while Central Excises should give us a further increase of Rs. 20 lakhs. Income-tax and Corporation tax show a rise of about Rs. 3 crores as compared with the budget, in spite of the fact that collections on account of

Excess Profits Tax are likely to fall short of the Rs. 11 crores originally anticipated by as much as Rs. 3 crores. Against this improvement however we have to set off the additional amount of Rs. 2 crores which is payable to the Provinces as a result of the divisible pool having increased from Rs. 18,35 lakhs to Rs. 22,17 lakhs. Inclusive of this increase and of the Rs. 81 lakhs arrears from last year the Provinces will this year receive on account of Income tax the altogether unexpectedly high figure of Rs. 7,39 lakhs.

6. The increase of Rs. 18,32 lakhs in net Defence expenditure for the current year 1941-42 is made up as follows:—

	(Rs. in lakhs.)	
	Budget.	Revised.
(1) Basic normal budget	36,77	36,77
(2) Effect of rise in prices on (1)	3,55	4,24
(3) India's war measures	35,40	53,03
(4) Non-effective charges	8,41	8,41
Total	84,13	102,45

Item (1) of course shows no change, while item (4) is retained at its original figure pending settlement with His Majesty's Government regarding the allocation of non-effective charges arising out of the war. The rise in item (2) is merely a reflection of the rise in the general level of prices of indigenous stores. Interest therefore chiefly centres in item (3) which shows an increase over budget of Rs. 17,63 lakhs in respect of the cost of war measures debitable to Indian revenues. The increase would have been Rs. 18½ crores but for contributions amounting to Rs. 85 lakhs received through the Viceroy's War Purposes Fund. I would here remind Honourable Members that under the Financial Settlement with His Majesty's Government only such portion of the expansion of India's Defence services as is related to India's local defence requirements is chargeable to Indian revenues. Thus, broadly speaking, India bears the cost of raising, training, and in part equipping any additional forces raised and retained in this country in pursuance of her expansion scheme, while the whole cost, initial and recurring, of such additional forces as are sent overseas is recoverable from His Majesty's Government. The House will be interested to know that the gross expenditure on defence services and supplies expected to be brought to account in India's books for the year 1941-42 amounts in all to Rs. 300 crores, so that after India's share of Rs. 102,45 lakhs mentioned above has been deducted a balance of nearly Rs. 200 crores is left to be borne by His Majesty's Government. These figures do not include the value of equipment supplied and other services rendered by His Majesty's Government without charge.

7. Judged by past Indian budgetary standards, these are large figures, and I feel that some explanation is due to the House as to how the money is being spent, brief and inadequate though that explanation must necessarily be having regard to the limited time at my disposal. The primary objective is, of course, the provision of the maximum possible strength of up-to-date military, naval and air forces, subject to the limiting factors of equipment and training, first for the local defence of India's land and sea frontiers, and secondly for employment overseas to secure the approaches to India. The rapid increase in the danger and imminence of the threats to India's security have rendered imperative substantial modifications and enlargement of the expansion schemes to which reference was made in connection with the budget a year ago, involving a considerable increase in cost. Recruiting activities have been stepped up

[Mr. C. E. Jones.]

during the last 12 months from an average intake of recruits of roughly 20,000 per month to an average of about 50,000 per month, and we now have over a million men under arms as against the half million to which I referred in my Budget Speech last year. Apart from the pay and allowances of these men, in itself a substantial item, the cost of feeding, housing, clothing, equipping and transporting them constitutes a very heavy additional burden on Indian revenues.

8. Concentrated efforts continue to be made to train intensively not only the new units which are being formed but the thousands of officers required to instruct and lead them. Last year special stress was laid upon the extreme importance of adequate training and the fact that, next to the provision of arms and equipment, the pace of our expansion was conditioned by the quality of our training. During the last 12 months the various schools and other training institutions of the Defence services have been greatly increased. Thus the Staff College has increased its output by 100 per cent. since March, 1941. The Fighting Vehicles School and the Artillery School have also doubled in size since that date. The Tactical School, Small Arms School and Army Signals School have all been greatly expanded. Many new training institutions have also come into being. An Air Landing School for the training of parachute troops is now in full operation. A special centre for instruction in anti-aircraft and coast defence artillery has also been created. In addition to the Officers' Training Schools, where several thousand cadets and newly commissioned officers are learning the rudiments of their profession, a Higher War School has been established at the other end of the scale for the instruction of senior officers.

9. The programme of expansion for the Royal Indian Navy which I indicated last year is now materialising rapidly. The strength of officers and ratings has been approximately doubled. Two new sloops of the latest type, fast and well-armed, are fully commissioned and have already seen service. Others are under construction in the United Kingdom. A large programme of building in connection with our Local Naval Defence requirements has been undertaken in India and some vessels have already been completed and commissioned. New and enlarged accommodation for the Gunnery School and Mechanical Training Establishment has been provided during the past year.

10. The development of the Air Forces has proceeded as fast as the provision of equipment and skilled technical personnel permitted, and much progress has been made during the year. Modern aircraft are now arriving in India and a substantial quantity of modern training equipment has been received. The rapid and continuous increase in the complexity and requirements of modern aircraft, the introduction of new types of squadrons, and the increases in the establishments of both personnel and machines for the various types add greatly to the difficulties of organising our air defences. For the operation of the new makes of machines landing grounds have to be constructed to much higher standards than those accepted as suitable two years ago, while accommodation both for personnel and machines and other operational facilities incidental to modern air defence are necessary on a far larger scale than was then envisaged. All these factors, I need hardly point out, add substantially to the cost of building up India's air defences. The formation and expansion of training institutions has gone ahead rapidly, and there has been a recent increase in the civil repair and maintenance organisation. Under the scheme for the creation of a reserve of Indian Air Force officers, to which reference was made

Last year, approximately 300 officers have been produced by the civil organisation and passed on to service training institutions, whence they should eventually be absorbed into active formations. The fullest use possible is being made of civil resources and the scheme inaugurated by the Director of Civil Aviation for pre-entry basic training for Indian Air Force mechanics is in full working order. Finally, the scheme for the assembly and manufacture of aeroplanes in India has made good progress. It is confidently hoped that the factory will complete its programme of fighter and bomber construction before the end of the present calendar year although considerable difficulties have been encountered in securing the release from America of the necessary materials, particularly since America entered the war. It has not yet been possible to secure from America all the materials needed for the programme of trainer aircraft and this may be delayed in consequence. In addition the factory is doing valuable work in carrying out major repairs to aeroplanes of many types.

11. To complete the picture of expenditure in the current year there now only remains for me to explain the increase of Rs. 1,72 lakhs in the civil expenditure. This increase would have amounted to Rs. 4½ crores but for a saving in interest charges of a little over Rs. 3 crores consequent upon the repatriation operations which were carried out last February. Of this Rs. 4½ crores increase, however, Rs. 1½ crores are accounted for by items which, while they figure as expenditure on the charges side of the account, are offset by corresponding receipts on the revenue side. The main items of this nature are Rs. 1,41 lakhs for the transfer of additional premia received under the War Risks (Goods) Insurance Act to the War Risks (Goods) Insurance Fund, due to the raising of the rate of premium from 1/32 per cent. to 1/16 per cent. and to the more extensive insurance of goods by merchants; Rs. 7 lakhs for the share of the higher match excise duty receipts payable to Indian States; Rs. 5½ lakhs for the payment to the Coal Mines Stowing Board of the net proceeds of the excise duty on coal and coke under the Coal Mines Safety (Stowing) Act; Rs. 2 lakhs required for increased production of salt; Rs. 3 lakhs representing larger payments to the I. C. A. R. due to an increase in agricultural cess receipts and a higher block grant to the Sugar Excise Fund following an increase in Sugar Excise revenue; and Rs. 6 lakhs spent on increased coinage, both on the Government of India's account and on behalf of other Governments. Of the balance of Rs. 3 crores, roughly Rs. ½ crore has been spent for obvious reasons on the provision of larger reserve stock of essential stores, such as currency note paper, security printing paper, stationery stores, etc. The remainder of the additional Civil expenditure has been incurred almost entirely in connection with the war. Thus expenditure on A. R. P. shows an increase of Rs. 92 lakhs, of which Rs. 84 lakhs goes as grants to the Provinces, Rs. 3 lakhs on A. R. P. schemes in centrally administered areas, and Rs. 5 lakhs for A. R. P. schools and other miscellaneous schemes. Equipment of the new Mint which is now being built in Alipore, Calcutta, to meet the rising war-time demands for coin both for India and for Allied Governments, is costing Rs. 26 lakhs. Rs. 14 lakhs excess under Civil Works has been necessitated by the need for additional buildings in New Delhi and Simla to provide accommodation for new departments or for expansion of existing departments as a result of the war. War-time expansion in other directions includes the Chief Controller of Imports, the Wheat Commissioner, the Controller of Coal Distribution, a Petrol rationing organisation, additional staff and overtime allowances in the Bombay and Calcutta Customs Houses, expansion of publicity, the Board of Scientific and Industrial Research, the Agent-General for India in the U. S. A. and so on. Last, but by no means least, an additional Rs. 64 lakhs is required

[Mr. C. E. Jones.]

for the expanded activities of the Supply Department and its subordinate organisations, regarding which the House will perhaps desire a little more detailed information.

12. The activities of the Department of Supply have expanded considerably during the past twelve months. While its main organisation has remained substantially unchanged, the Indian Stores Department, the Contracts Directorate and the temporary officers employed on purchase duties have for the duration of the war been merged into a single Purchase Branch with a view to utilising the available staff to maximum advantage. On the other hand it has been found necessary to divide the Textiles Directorate into two, one of which has been located at Bombay to deal exclusively with cotton textiles. During the coming financial year it is anticipated that about 700 million yards of cotton textiles will have to be purchased, which this Directorate will have to arrange by a system of bulk purchases in close co-operation with the industry. Clothing factories have multiplied ten-fold since the outbreak of war and are now turning out more than 8 million garments a month. The output of leather goods has increased thirty-fold. A new parachute factory has been established and the first Indian made statichutes have successfully passed the required tests. Timber extractions and purchases are rapidly expanding while many new chemicals are now in process of production in India for the first time. As regards munitions production, 20 new projects arising out of the recommendations of the Roger Mission have now been approved and are in process of execution, involving a capital outlay of about Rs. 12 crores, as a result of which new factories will be constructed and old ones expanded for the production in India of weapons, ammunition, steel and other stores urgently required for war purposes. The whole of the capital outlay on the erection and establishment of these factories will be borne by His Majesty's Government, although India will of course pay for such of the articles produced by them as are utilised for purposes of India's local defence. Railway workshops and trade workshops are being increasingly utilised, with the ready co-operation of industrial concerns and Railway Administrations, for the production of a large range of military requirements from armoured fighting vehicles and small auxiliary naval craft downwards. As a result of these various activities India will henceforth be self-supporting in respect of many items of war supply which hitherto have had to be imported.

13. I should perhaps say a word here on the subject of the application to India of Lease-Lend assistance from the U. S. A. Honourable Members must have been gratified to learn that, largely as a result of the activities of the Indian Purchasing Mission in the U. S. A. under the chairmanship of Sir Shanmukham Chetty, India has been admitted to the benefits of Lease-Lend facilities on the same terms as the United Kingdom and other members of the British Commonwealth of Nations. The indents placed for supplies on Lease-Lend terms up to the end of January 1942 amounted in value to roughly Rs. 47 crores of which, if all goes well, about Rs. 11 crores worth of goods are expected to arrive in India during the current year and three times as much during the coming year. In so far as stores received on Lease-Lend terms are utilised for the equipment of troops sent overseas or for other needs which are paid for by His Majesty's Government under the Financial Settlement, the benefits and obligations conferred by Lease-Lend will be passed on to that Government. In respect of such of the stores as are utilised for Indian purposes, whether by the Defence services, Civil Departments of the Central Government or Provincial

Governments, their value will be debited to the budgets concerned and corresponding credits taken to a suspense account. This accounting procedure is being followed in view of the fact that the precise nature of the obligations imposed by Lease-Lend facilities on the Governments making use of them has not yet been determined, and the suspense credits will therefore remain until the method of liquidation of Lease-Lend liabilities has been defined.

14. I come now to a consideration of the estimates of revenue for the financial year 1942-43. The only substantial variations from the revised estimates of revenue for the current year are in respect of customs duties and income tax. There can be little doubt that war developments in the Pacific will cause a degree of interference with our foreign trade which will be reflected in an appreciable drop in customs revenue. It is by no means easy to estimate the extent of the fall, but in circumstances as they are now we have decided to take the figure at Rs. 30 crores against the current year's revised estimate of Rs. 36 crores. The figure of Rs. 30 crores is inclusive of the proceeds of the additional import duty on raw cotton, estimated at Rs. 2 crores, which will be taken to the special fund for the relief of the short staple cotton situation. Against this, however, the yield from Income-tax and Corporation tax including surcharge is expected to increase by over Rs. 3 crores, while the collections of Excess Profits Tax have been put at Rs. 20 crores as compared with Rs. 8 crores in the current year. As a result of these and the various other smaller changes in the estimates, our total revenue on the existing basis for 1942-43 is expected to amount to Rs. 140,00 lakhs as compared with Rs. 129,62 lakhs according to the revised estimates for 1941-42.

15. The anticipated increase in the yield of Income-tax next year will result in a further increase in the divisible pool which, on the basis of our estimates, will amount to as much as Rs. 25,75 lakhs. Assuming that the sum to be retained by the Centre from the Provincial moiety will be maintained at Rs. 4½ crores, the share of Income Tax revenue payable to the Provinces next year comes to the record figure of Rs. 8,37 lakhs, as compared with the corresponding figure of Rs. 6,58 lakhs for the current year. For the sake of comparison I would like to remind the House that the amounts paid to the Provinces since the Niemeyer Award first began to operate have been Rs. 1,63 lakhs for the year 1937-38, Rs. 1,51 lakhs for 1938-39, Rs. 2,83 lakhs for 1939-40 and Rs. 4,54 lakhs for 1940-41. The present level of payments to the Provinces on account of Income Tax is therefore several times what it was before the war and, incidentally, is considerably higher than what Sir Otto Niemeyer calculated they would receive as their full half share of the divisible pool at the end of the ten-year devolution period.

16. Coming now to the expenditure side of the account for the year 1942-43, Defence expenditure chargeable to Indian revenues is expected to reach a total of Rs. 133,00 lakhs which, following the usual classification, may be expressed thus :

	(Rs. in lakhs.)	
	Revised, 1941-42.	Budget, 1942-43.
(1) Basic normal budget	36,77	36,77
(2) Effect of rise in prices on (1)	4,24	6,52
(3) India's war measures	53,03	81,30
(4) Non-effective charges	8,41	8,41
Total	102,45	133,00

[Mr. C. E. Jones.]

For the reasons which I have already given, items (1) and (4) remain unaltered, while the increase in the case of item (2) merely reflects the anticipated further rise in the general price level during the coming year. The major increase occurs under item (3) and is occasioned by the growth of our war measures on the lines which I have already explained. The increase would have been higher by Rs. 1½ crores but for the fact that contributions totalling that amount from the Viceroy's War Purposes Fund are anticipated during the year. Great as is this total of Rs. 133 crores, it represents only about one-quarter of the gross Defence expenditure which is likely to be brought to account in India's books during 1942-43; that is, the amount of expenditure on Defence services and supplies that we expect to recover from His Majesty's Government next year under the operation of the Financial Settlement exceeds the huge total of Rs. 400 crores. The greater part of this latter amount represents expenditure connected with the maintenance or provision of forces overseas in the interests of the security of India against external aggression. In addition to bearing this vast expenditure His Majesty's Government have undertaken to supply to India free of charge large quantities of aeroplanes, vehicles, guns and other equipment required in connection with the expansion of India's fighting forces, naval, air and military. The total value of such free supplies which are expected to be received by the end of 1942-43 is roughly Rs. 60 crores.

17. Civil expenditure in 1942-43 is expected to amount to Rs. 54,07 lakhs, an increase of Rs. 9,63 lakhs over the revised estimate for 1941-42. Much of this large increase is however more apparent than real for the reason to which I have already made reference in considering the revenue estimates, *viz.*, the necessity for accounting purposes of passing the transactions relating to special funds through the revenue and expenditure accounts, thereby swelling both sides of the account. Thus the receipts from War Risks Insurance premia, the enhanced import duty on raw cotton and the cess on exports of agricultural produce, which are shown as expenditure under the relative heads of account for transfer to the special funds next year, amount to Rs. 3,24 lakhs, Rs. 2,00 lakhs and Rs. 18 lakhs respectively. The greatest real increase is in respect of expenditure on Civil Defence for which Rs. 4 crores have to be provided as against our revised estimate for the current year of a little over Rs. 1 crore. A new scheme of allocation of the cost of A. R. P. measures has been drawn up by the Central Government in consultation with the Provincial Governments, which has been designed to secure that the financial assistance given by the Centre should be determined in the light of the magnitude of the A. R. P. expenditure to be incurred by each Provincial Government and the ability of the Province to shoulder this extra burden, having regard to the additional resources deriving from the larger distribution of Income-tax. Under the scheme every Provincial Government will in each financial year itself bear its Civil Defence expenditure up to a specified amount, which is to be fixed in a certain broad relation to the Provincial revenue receipts. Expenditure over and above this initial slab will be divided into further slabs of which the first is to be shared 50 : 50 by the Central and the Provincial Governments, the next 75 : 25 and anything beyond that 87½ : 12½. I need hardly stress the point that the estimates of A. R. P. expenditure are at present largely speculative and purely tentative since the amount to be spent will inevitably depend very much on the future course of events in the Eastern theatre of war.

Of the remaining factors contributing to next year's increase in Civil expenditure I will confine myself to a brief mention of the more outstanding items. Half a crore of the increase arises out of the expansion of the technical

training scheme for skilled artisans so as to provide for the training of 48,000 men by the end of 1942-43 in place of the 15,000 men contemplated under the original scheme. A special provision of over a quarter of a crore has been made for expediting the civil aviation programme in addition to the annual subvention of Rs. 35 lakhs. An extra half a crore has also had to be provided next year for the continued expansion of the Supply Department's activities. Interest charges will be increased to the extent of Rs. 175 lakhs as compared with the revised estimate for the current year, although still showing a saving of Rs. 134 lakhs as compared with the budget figure for the current year. For further details of the civil estimates for 1942-43 I must refer Honourable Members to the Explanatory Memorandum on the Budget.

18. The budgetary position for the coming year on the existing level of taxation can now be summarised as follows :—

	(Rs. in lakhs.)		
	Revised, 1941-42.	Budget, 1942-43.	Improvement (+) or Worsening (—).
Net Defence expenditure	102,45	133,00	—30,55
Civil expenditure	44,44	54,07	—9,63
Total expenditure	146,89	187,07	—40,18
Total revenue	129,62	140,00	+10,38
Deficit (—)	—17,27	—47,07	—29,80

There is thus a prospective deficit on revenue account of Rs. 47,07 lakhs, but before I deal with the problem of this deficit I will follow the usual procedure of giving at this stage an account of our ways and means position, which is a matter of considerable importance in the scheme of war-time finance.

19. Honourable Members are, I trust, already acquainted with the details of our Defence Loan programme, for during the past year we have taken great pains at considerable expense to publicise them throughout the length and breadth of the land. By far the greater part of the amount subscribed this year has been to the Second Defence Loan, *i.e.*, the 3 per cent. Defence Bonds, 1949-52, which has been continuously on tap from the 1st February 1941 to its recent closure. Up to the end of January 1942 this loan has produced Rs. 58,10 lakhs, the interest-free Bonds Rs. 2,67 lakhs, and the Post Office 10-year Defence Savings Certificates Rs. 4,67 lakhs. The total investment in our Defence Loans from June 1940 when they were first issued to the end of January 1942 amounts to Rs. 110,30 lakhs.

20. Great though this total may be, there is an imperative need for a rapid and continuous increase in the rate of saving and investment. The circumstances of the time and the interests of the country alike demand it. Borrowing, and borrowing on a large scale, is necessary for the financing of India's defence expenditure which is now approximating to Rs. 40 lakhs a day and is still growing. But that is only a part of the picture. There is also the very much larger expenditure on account of supplies and services to His Majesty's Government and other Allied Governments which has assumed the huge dimensions mentioned earlier in this speech. It is true that we receive payment in sterling for these supplies and services, but the fact remains that the equivalent amount in rupees, which now has to be measured in units of Rs. 100 crores, has to be paid out within the country to those who have provided them. The result is inevitably a very large increase of purchasing power in the hands of the people of the country. With a large part of the productive power of the country devoted to the war effort, and with imports from outside severely restricted by war conditions, it is obvious that purchasing capacity must rapidly outgrow the limited available

[Mr. C. E. Jones.]

supply of consumers' goods; and if it is utilised in intensive competition for those goods, the only effect will be the forcing up of prices. Such a state of affairs could benefit no one, and would prove a definite hardship to the many with small fixed incomes. On the other hand, if claims to consumers' goods are postponed to more propitious times when the supply of goods and services can be expanded in satisfaction of the wider demand, not only will the general economy of the country be preserved in a sound and healthy condition but the people will have provided themselves with a reserve which may well prove invaluable for meeting the uncertainties of the post-war period. It is therefore of fundamental importance that saving on a national scale should be stimulated and encouraged by all who have the interests of this country and its peoples at heart.

21. During the current year the outstanding balance of the 3 per cent. Bonds, 1941, amounting to Rs. 10½ crores was repaid, Rs. 8½ crores by conversion and the remainder in cash. Apart from the undated sterling loans, to which I shall presently refer, the only loan we have the option of repaying next year is the 5 per cent. Loan, 1942-47, but of this the balance still outstanding is only Rs. 65 lakhs.

22. Intimately connected with our ways and means position is the question of the repatriation of India's sterling debt. In my speech a year ago I explained at some length the lines of general policy in this regard, the advantages to India resulting from the replacement of external obligations by internal debt, and the financial implications of the repatriation of the six dated sterling loans. I have no wish to weary the House by repeating what I said then, but as the plan for the rupee financing of that important operation could at that stage be indicated only tentatively I ought perhaps to complete the story now. The total terminable stock acquired amounted to Rs. 97 crores, leaving only Rs. 15 crores outstanding as being outside the scope of both the British and the Indian Vesting Orders. Sterling payments however amounted to only £66.3 million, the amount coming under the Indian Order being Rs. 14.56 crores of which Rs. 13.30 crores were paid for by counterparts and the small balance in cash. The Reserve Bank naturally had no difficulty in providing the sterling required, in view of its large sterling resources but the crux of the problem was to devise a plan by which the Government could make rupee payment for that sterling without unduly depressing security prices and thereby endangering our cheap money policy, while at the same time avoiding the financially doubtful course of large scale replacement of long-dated maturities by very short-term commitments. This was secured by the creation of rupee counterparts, about half of which were taken over by the Reserve Bank. The other half was held by Government who paid the balance due to the Reserve Bank from its balances, supplemented by ways and means advances, and by *ad hoc* treasury bills. Thus both the Government and the Reserve Bank were provided with a portfolio which could be sold gradually to meet market demand.

23. Once these initial arrangements had been completed the whole position was brought under survey, and such stock as was considered to be in excess of the absorptive capacity of the market over the next few years and was not required for ensuring the marketability of counterpart stocks in the hands of the public was cancelled. The amount of stocks so cancelled amounted to some Rs. 47 crores, and a further amount of stock was converted into existing loans of roughly corresponding maturity for which there was known to be a

fairly sustained demand from the market. The combined result of these operations was an increase of Rs. 92 crores in our rupee debt and of Rs. 3 crores in our rupee interest charges against a reduction in sterling debt by Rs. 135 crores and sterling interest by Rs. 5½ crores. As opportunity occurred during the year, by arrangement with the Reserve Bank, *ad hoc* treasury bills taken up by the Bank in connection with the repatriation were gradually cancelled against the transfer of sterling from the Banking Department to the Issue Department. In the result by December 1941 the Reserve Bank held only Rs. 2.71 crores of *ad hoc* treasury bills. Meanwhile counterparts on Government's account were sold to the public as they required them, and by the end of December last, out of some Rs. 139 crores of rupee counterparts created since repatriation was first undertaken, Rs. 47½ crores had been cancelled, Rs. 51 crores were in the hands of the public, a little over Rs. 31 crores were held by the Reserve Bank and Rs. 9½ crores were held on Government account. As our outstanding of treasury bills actually decreased by Rs. 14 crores between the 1st March 1941 (*i.e.*, prior to the repatriation payments) and the end of January, 1942, we may conclude that the cash payments on account of the counterparts which were cancelled have ultimately been financed almost entirely from Defence Loan proceeds. We may, therefore, claim that the bulk of the floating debt incurred for the financing of the first instalment of repatriation has already been funded, and there is good cause for gratification that so large and so complex a transaction was carried through with such remarkable smoothness and with little or no disturbance to the market.

24. Towards the end of last December we were able to adopt, again with the assistance of His Majesty's Government, a somewhat similar scheme for the repatriation of the remaining non-terminable portion of our sterling debt. The 2½ per cent. and 3 per cent. stock totalling some £70 million (market value) is being compulsorily acquired under British and Indian Vesting Orders as in the first scheme of repatriation, while the outstandings of the 3½ per cent. stock amounting to another £70 million will be redeemed on the 5th of January, 1943 under a year's notice which has already been given. Some criticism has been directed against the Government for not applying the machinery of compulsory acquisition to the 3½ per cent. stock as in the case of the other stock, but it must be remembered that compulsion is an extraordinary measure which cannot be resorted to without solid and substantial reasons. Since the 3½ per cent. stock was standing very near to par and was redeemable at any time on a year's notice, there was no sufficiently valid reason which could be urged on His Majesty's Government to use their special war-time powers to acquire it for us. After this second measure of repatriation has been carried through, practically the whole of India's external obligations will have been liquidated to the immense strengthening of India's credit position.

25. In spite of the vast scale of these debt repatriation transactions there is no room for apprehension as to their effect on the Reserve Bank's sterling resources, in view of the rate at which sterling has been and is accumulating with the Reserve Bank on account of the large war demand for supplies from India to which I have already referred. I will give a few figures by way of illustration. Purchases by the Bank during the first ten months of the current year amounted to approximately £57 million. At the time of the budget for the current year we estimated a net refund by the Secretary of State of £26 million. Since then, however, the volume of recoverable war expenditure and purchases on behalf of His Majesty's Government and Allied Governments has increased continuously, and the net refunds for the year are now expected to aggregate £53 million after providing for the repayment of the 2½ per cent.

[Mr. C. E. Jones.]

and 3 per cent. undated sterling loans next month. For next year the net refunds by the Secretary of State are estimated at £164 million after allowing for the repayment of the remaining undated sterling loans and for the payment of £13 million for the purchase of the Bengal and North Western Railway and the Rohilkhand and Kumaon Railway. There can be no doubt that the sterling required this year and next for payments in connection with our second repatriation scheme will be available without any strain on the Reserve Bank's sterling resources.

26. In the matter of sterling debt repatriation there is a tendency in some quarters to concentrate attention on the revenue aspect resulting from the reduction in interest charges. This fact however, as I explained last year, is largely incidental and to a certain extent temporary, being merely the natural result of the method of finance employed, viz., payment to holders of long-term securities out of short-term obligations which will be gradually replaced by funded loans. It is difficult to give any precise estimate of the revenue effect of our second repatriation scheme since it depends on the terms on which we can fund our short-term obligations. On present indications, however it is possible that the net saving to the revenue budget under interest will be of the order of Rs. 90 lakhs. In addition to this the Reserve Bank's profits will increase as a result of its holding for a time higher interest bearing rupee securities in its Issue Department instead of short-term sterling securities of lower yield. These surplus profits of the Reserve Bank will ultimately be transferred to Government and may possibly amount to as much as Rs. 50 lakhs.

27. As regards our treasury bill position, the budget for the current year contemplated a net decrease in outstandings of Rs. 11½ crores. The decrease to the end of January 1942 has actually amounted to Rs. 23½ crores. The improvement has been due partly to better Defence Loan receipts than we had counted upon and partly to sales of rupee stock held by the Government. Furthermore, the Government have realised Rs. 10 crores from the sale of silver in India. Next month, however, in connection with the repayment of the 2½ per cent. and 3 per cent. undated sterling loans we may have to create additional treasury bills to the extent of Rs. 39 crores but this will present no difficulty in view of the abnormally low level of outstandings at the present time.

28. The net discharge of cash certificates this year is not likely to be appreciably more than the budget estimate of Rs. 6 crores and we are adopting for next year the figure of Rs. 5 crores. On the other hand, Savings Bank transactions are likely to result in a net outgo of Rs. 7 crores as against the net credit of Rs. 2 crores assumed in the budget. For next year we are assuming a net withdrawal of Savings Bank deposits of Rs. 2 crores.

29. I must now return to a consideration of the gap with which we are faced in the coming financial year between our anticipated revenue and our estimated expenditure on revenue account. By way of context I would remind Honourable Members that for the year 1940-41 we budgeted for a nominal surplus of Rs. 5 lakhs and in the actual result realised a deficit of Rs. 6½ crores. For 1941-42 we budgeted for a deficit of Rs. 13½ crores, but according to the revised estimates the deficit will amount to Rs. 17½ crores. Now for the year 1942-43 on the estimates we have made and at the existing level of taxation we are faced with a prospective deficit of the order of Rs. 47 crores, or well over half the total pre-war budget of the Government of India. Serious as the problem of this deficit is, the Government feel, for reasons of

which I have already given some indication, that the situation which now confronts them is of wider dimensions than that of mere balancing of Government revenue against Government expenditure. There can be no doubt that these tendencies which are only too characteristic of war-time economy are beginning to operate in India, as they are operating in practically every country in the world today. Although it is probably true to say that in India the process has not gone either so fast or so far as in many other countries, where counter-action of a drastic nature has had to be taken, the fact remains that the tendencies are in evidence here and the Government are satisfied that the stage has been reached when it is their clear duty at least to make a beginning with measures, in addition to the ordinary process of taxation, of a kind which will assist in relieving the pressure of the enhanced volume of purchasing power on the limited supplies of goods and services which in present conditions are available for consumption. It is in the light of this broad conclusion that the budget proposals which I will now proceed to explain have been framed.

30. The first proposal is that incomes of from Rs. 1,000 to Rs. 2,000 per annum shall be made liable to income-tax, but that the tax will not be leviable if the assessee deposits in a Savings Bank account a prescribed sum which works out to approximately 1½ times the amount of tax which he would otherwise have to pay. The proposed rate of tax is 6 pies in the rupee on the excess of the year's income over Rs. 750. The sum to be deposited in the Savings Bank account to discharge the liability to tax is Rs. 1 for every Re. 25 of the excess of income over Rs. 750. Thus on an income of Rs. 1,500 the tax would be Rs. 23-7-0 and the optional Savings Bank deposit would be Rs. 30. The intention is that the deposit should be made in the Post Office Defence Savings Bank, from which sums cannot ordinarily be withdrawn until the expiry of 12 months after the end of the war, and the deposits in which earn interest at the rate of 2½ per cent. per annum. It will be realised that this is a scheme of saving rather than of taxation, and is considered to be the most suitable way of tackling the problem outlined above in the case of persons with incomes below the existing income-tax limit. The option allowed being of such a favourable nature, the revenue yield must be taken as nil.

31. The second proposal is in respect of the Central surcharge on incomes exceeding Rs. 2,000 per annum. Hitherto the surcharge has been applied in the form of a flat percentage on the basic rates of income-tax and super-tax throughout the whole range of incomes. The percentage method however inevitably results in a rapid steepening of the rate of progression of the incidence of the tax up the income-tax scale. With the basic scale itself highly progressive, as it has been in India since 1939, there are obvious limitations to the extent to which any further steepening can proceed. It is therefore proposed to abandon that method now and to fix the income-tax surcharge for next year at 6 pies in the rupee on the first slab of taxable income between Rs. 1,500 and Rs. 5,000, at 9 pies in the rupee on the next Rs. 5,000, 1 anna 2 pies in the rupee on the next Rs. 5,000, and 1 anna 3 pies in the rupee on the balance of total income. The last-named surcharge is a 50 per cent. surcharge, and similarly the surcharge proposed on the rates of super-tax are equivalent to a 50 per cent. surcharge, while at the same time corporation tax is to be raised to 1½ annas in the rupee. Since, for the reasons I have just stated, the rate of surcharge in the lower ranges of income will be somewhat in excess of 50 per cent. it is proposed that a portion of the tax paid in respect of incomes up to Rs. 6,000 will be funded and repaid to the assessee after the end of the war. The amount to be so funded will be one-half per cent. of the assessee's total income. Thus on an income of Rs. 3,000 per annum the gross tax would be Rs. 117-3-0, of which an amount of Rs. 15 would be funded. The way in

[Mr. C. E. Jones.]

which these proposals will work out in practice will be apparent from the statement which forms Part III of the Explanatory Memorandum. It will be seen that the incidence of the tax progresses steadily from less than 2 per cent on an income of a little over Rs. 2,000 to 85 per cent. on an income of Rs. 30 lakhs a year.

32. The third proposal in the sphere of direct taxation relates to the Excess Profits Tax. It is proposed that the profits of a further period of one year shall be subjected to this tax, and that the rate applicable to such profits shall be the existing rate of 66½ per cent. One modification is however proposed. The Government are impressed with the need for stimulating the incentive to economy and efficiency in the administration of business; they also realise the importance of enabling industry to build up a reserve for its rehabilitation and re-equipment after the war; and they are convinced of the necessity for immobilising during the period of the war as much as possible of the excess profits earned so as to prevent postwar private expenditure from exerting an undesirable influence on the price level. In order to assist in securing these several, and in a sense mutually incompatible, objectives the Government are prepared to contribute an amount not exceeding one-tenth of the net excess profits tax ultimately paid at the rate of 66½ per cent. (i.e., the odd 6½ per cent.) provided the assessee deposits double the amount so contributed. The assessee's deposit will be repayable within 12 months after the end of the war and will earn simple interest at the rate of 2 per cent. per annum. The Government's contribution will also be paid out after the war, at such time and subject to such conditions as may be determined. The Post-War Reconstruction Committee will be asked to advise on the formulation of these conditions. Both the Government contribution and the interest on the assessee's deposit will be treated as taxable receipts in the year in which they are paid.

33. In the sphere of indirect taxation, the main proposal is to levy a 20 per cent. emergency surcharge over the whole field of customs import duties in view of the anticipated heavy shortfall in this, for long the main pillar of Central revenues. Raw cotton will be exempted from this surcharge, since it has only recently been subjected to an additional duty for a special purpose. Motor spirit will constitute another exception as being the subject of separate treatment, since it is proposed to enhance the excise duty on motor spirit by three annas a gallon with a corresponding automatic increase in the import duty. A few imports from Burma will also have to be exempted from the general surcharge on account of the provisions of the trade agreement concluded with that country last year, while the import duty on salt will continue at the same rate as the duty now levied on indigenous salt. These proposals will, by virtue of a declaration under the Provisional Collection of Taxes Act, come into effect at once.

34. Lastly, certain increases are proposed in the posts and telegraphs rates, viz., an increase in the ordinary letter rate from 1½ annas to 1½ annas, the postcard rate remaining unchanged; an increase in the minimum charge for an ordinary telegram from 10 annas to 12 annas and for an express telegram from Rs. 1-4-0 to Rs. 1-8-0; also increases in telephone rentals, and the surcharge on trunk call fees to be raised from 10 per cent. to 20 per cent.

35. It is difficult, if not impossible, to estimate with any approach to accuracy the additional revenue which will be derived from these various measures. Much depends upon the future course of world events. On the best information available to us we put the net addition to revenue from the proposals relating to direct taxation at Rs. 5,30 lakhs, excluding repayable

deposits and refundable elements which are to be treated as borrowings. Similarly we estimate the additional revenue in the field of indirect taxation at Rs. 5,70 lakhs, and that from the increases in posts and telegraphs rates at Rs. 1,00 lakhs. The total additional revenue from all the proposals thus comes to Rs. 12 crores, or about one-quarter of the prospective deficit with which we were faced, leaving an uncovered deficit to be met from borrowings of Rs. 35,07 lakhs. This will mean a substantial addition to the public debt but, as I stated at the beginning of this speech, it has to be regarded against the background of the growing intensity of India's war effort and of the resulting changes in her economy, which on balance have undoubtedly been greatly to her advantage. However dark and anxious the present may be, there are solid grounds for a spirit of confidence and sober optimism that India will emerge strong and well-equipped to play a worthy part in the new world that lies ahead after victory has been achieved. (Applause.)

THE HONOURABLE THE PRESIDENT: Before I adjourn the Council, I wish to remind the Honourable Members that a group photograph will be taken on Thursday, the 5th March, 1942, at 10-30 A.M.

The Council then adjourned till Eleven of the Clock on Thursday, the 5th March, 1942.

COUNCIL OF STATE.

Thursday, 5th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): Sir, I lay on the table a copy of the Declaration of Exemption under section 6 of the Registration of Foreigners Act, 1939, as published with the notification of the Government of India in the Home Department No. 1/27/41-Political (E), dated the 18th February, 1942.

Declaration of Exemption.

No. 1/27/41-Political (E), dated the 18th February, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Lt.-Col. Yih Teh-Ming and Doctor Ho, so long as they hold the posts of Chinese Resident Military Officer and Staff Officer, respectively.

V. SHANKAR,

Deputy Secretary to the Government of India.

THE HONOURABLE MR. S. N. ROY (Communications Secretary): Sir, I lay on the table a copy of the notification by the Chief Commissioner of Coorg, No. A-3-1451/41, dated the 4th February, 1942, relating to rules framed under the Motor Vehicles Act, 1939.

THE CHIEF COMMISSIONER OF COORG.

NOTIFICATION.

No. A-3-1451/41, dated the 4th February, 1942.—In exercise of the powers conferred by section 70 of the Motor Vehicles Act, 1939 (Act IV of 1939), and the notification of the Government of India, Department of Communications No. R. 60, dated the 28th June, 1939, the Chief Commissioner is pleased to make the following amendment to the Coorg Motor Vehicles Rules, 1940, issued with his notification No. R.F. 43/121-39, dated the 26th March, 1940.

Amendment.

In sub-rule (1) of rule 145 for the figures and words "225 pounds in weight unladen", substitute the figures and words "1,100 pounds in weight laden".

J. W. PRITCHARD,

Chief Commissioner.

[Sir A. P. Patro.]

war began. But there was always the confidence that India may not be required to join in the war and therefore India need not develop things here. That India should be made the arsenal for the whole of the East was urged from time to time but it fell on deaf ears and the British Government never cared to strengthen the position in India. In the settlement which has been entered into with Great Britain after considerable discussion we find that the Imperial exchequer pays to India for the supply of all munitions, all equipment necessary for the army outside the borders of India and it is only for local purposes that India is to pay; otherwise all the other expenditure are to be the charges of the Imperial Government. Therefore the Budget expects that there would be a payment of Rs. 400 crores for next year and Rs. 200 crores for the current year from the Imperial Government. This vast sum is to replenish us to strengthen the finances of India which we should never forget. In addition to these the Imperial Government gives us aero-assistance that we receive from the British Government is a real factor in the financial improvement of India. If today we are not in the same boat with many other continental countries it is because of this assistance which we have from the British Government.

Sir, it was said the other day by the Chief Commissioner for Railways and by the Honourable the Railway Member that axles, wheels and other necessities which were not hitherto available in this country are manufactured here by a plant which has been set up by an Indian firm. Why was it not done hitherto? Necessity knows no law in war time. It is war time which pressed them to search for sources from which they could develop; otherwise they would never have been able to produce these things here. Then the other day it was said that steel of the proper quality was not available in India and surgical instruments had to be imported from other countries, even from Germany. Dr. Parthasarathi has been able to find from his personal research that surgical instruments could be manufactured from Tata's steel in India and Tatas are able now to manufacture surgical instruments. There is another important material necessary for aeroplanes, that is, magnesium. What they do in Germany and Japan is they lay the pipe line five miles into the sea, draw the water and then manufacture magnesium from out of sea water. On the other hand, look at the vast wealth available in India. In Salem district it was discovered that there are large deposits of magnesium which if properly developed would be available for purposes of the war, for aeroplanes, and war danger, the apathy of those in charge of these matters seems to me to be most astounding. It is extremely foolish that the Government should not be able to open its eyes to see that this is the period wherein they could develop these industries which would be helpful not only in the present war purposes but could help them in the future. Attempts should be made now immediately because after all we have got experts and scientists available in the country itself who can work as well as some of the German or British experts. Therefore it seems to me that this neglect is not at all pardonable.

Then referring to the civil estimates there are four or five points which require careful attention. The first scheme that is propounded and that is again repeated this year in the Budget is the repatriation scheme. It is really a beneficial scheme, a scheme which benefits India from the time when complete repatriation has been made and India will be free from external debt or sterling loan and the loan will be created in India. We have been talking

Sir, for all these years about the drain on India. The interest on capital invested in India is carried away and India's money is carried to other countries but here an opportunity has been created for free India. India hereafter will be not subject to that kind of drain which we have so often repeated from various platforms but here this repatriation scheme completely frees India from external debt though it creates a debt in India because hereafter the proceeds of the interest will remain in India. Now that scheme will liquidate, as I said, all external obligations which might prove an embarrassment in the future. Those obligations are replaced by internal debt.

The second feature of the Budget which I wish to place before this House is this. As I referred to briefly, the financial settlement with Great Britain really enables us in India to be able to have a proper Budget and to receive assistance which saves us from inflation of the currency, because the Reserve Bank will have sufficient reserve now of the sterling as well as of silver so that we need not have any recourse to inflation as has resulted in all other countries affected by the war.

The third feature I venture to place before you is the Roger Commission. The Roger Commission recommended the settling up of 20 new factories. These factories have been established and, as I said, have been turning out materials, engines and machines which are very useful for the war and for the future, but the reassuring prospect of the Budget is the extension of the Lease and Lend scheme which is of great help to India at present when India has placed an order worth about Rs. 47 crores of which it is said materials worth Rs. 12 crores would be coming to India before the end of the year.

THE HONOURABLE MR. HOSSAIN IMAM: Has any part of these materials worth Rs. 12 crores come to India?

THE HONOURABLE SIR A. P. PATRO: Wait and see. Don't be impatient.

THE HONOURABLE MR. HOSSAIN IMAM: We are in the twelfth month.

THE HONOURABLE THE PRESIDENT: Order, order.

THE HONOURABLE SIR A. P. PATRO: Therefore these features of the Budget are such that it is necessary to have a proper planning.

The next feature of the Budget, I beg to represent is this. By a system of planning considerable expansion of industries has been brought about. One outstanding feature which will be welcomed by all in the country is the manufacture of aeroplanes. For the first time in India we have plant and machinery established by which aeroplanes will be manufactured in India and very shortly India's first aeroplane factory will be working from the end of this year for fighter and bomber planes.

Therefore, Sir, these features of the Budget are very commendable ones and these no doubt raise the hope that in close co-operation with Great Britain India may be able to achieve that industrial development which we all advocate very much. The war is an evil thing, but out of evil cometh good. If out of this war the British Government has been forced, compelled to have recourse to and find out the sources from which they could develop the industries of the country, if this were not so they would not have been able to do anything at all. All the time they have been singing, there has been opposition from the

[Sir A. P. Patro.]

bureaucrats, opposition from the British Government. Hitherto they have been saying that no materials are available in India, India is such a barren country that only we have to import things from outside, otherwise there would be no good result in India, nothing is possible and that everything must be imported from outside. That was the mentality which has influenced the Government of this country and now war is an evil, but war has driven the people to see the necessity of developing industries of this country to such an extent that hereafter there will be plants and machines which will be more or less permanent establishments in the country.

Sir, it is the economic development and not so much the political development which India needs. Political development may follow in my view of the matter, but the economic and agricultural development of the country is more important than the political development. If you place a few people in power that is not sufficient. Power will not come in until you take the masses with you. You take the people with you and you educate the people to a consciousness of their rights and liabilities. Until then, Sir, there is no hope for India. It is economic and agricultural development which is most needed for India and therefore this is an opportunity which affords the Government to be able to put their energies and their wisdom into the development of industrial, agricultural and economic condition of the country. I am sure the Budget gives an indication of it. If this is the spirit which prevails, as it does in the Budget, I am sure this achievement and development will be possible.

THE HONOURABLE SIR SHANTIDAS ASKURAN (Bombay: Non-Muhammadan): Sir, I have more than once pleaded and urged the growth and starting of new industries. As I am glad, my Honourable friend Sir A. P. Patro has taken that brief and I am sure that other Members in this House will speak on this I will not touch on this point.

The Finance Member deserves our congratulations for presenting a Budget which embodies the latest methods of financing a war and for taking far-reaching steps to avoid the dangers of inflation. Before going into details, however, I should like to take a rapid review of India's war effort as reflected in our financial burdens. For the purpose of comparison, I shall start from the year 1939-40, though this year was partly affected by the war. Our total expenditure has increased from Rs. 89 crores to Rs. 179 crores or will double itself in the coming year. The expenditure on Defence services alone has increased from Rs. 50 crores to Rs. 133 crores or by Rs. 83 crores which means 166 per cent. In order to finance this huge expenditure we had to introduce big changes in our tax structure. This effort has become particularly difficult as our main source of revenue "Customs" has fallen because of the inevitable fall in imports due to the war. From Rs. 46 crores in 1939-40, we now expect only Rs. 35 crores in the coming year from this source, and even this may prove an over-estimate. Our main reliance has been on taxes on income which by successive increases will have risen from Rs. 17 crores to Rs. 56 crores in the coming year or by Rs. 39 crores in all. Our second main source of relief has been the commercial services which show a rise of Rs. 19 crores, from Rs. 5 crores which they contributed in 1939-40, they are now estimated to give Rs. 24 crores in the coming year. Central excise has also added another Rs. 6 crores, having risen from Rs. 7 to 13 crores in this period. In spite of this heavy additional sources of revenue amounting to Rs. 64 crores, we have provided for large deficits, which amount to Rs. 72 crores for the war period.

Sir, for the limited resources of this country, this is a great performance. I venture to say, however, that the people of this country would welcome even larger financial burdens most willingly provided they were convinced (a) that this expenditure was most economically incurred for building up efficient defence services for the country and (b) that the fruits of this expenditure will be available in the form of active defence of this country, when necessary. Sir, the reluctance, if any, to pay more taxes or to welcome more burdens is due to the fact that the people at large have no clear idea regarding the defence arrangements of the country, and one cannot blame them if whatever confidence they had in the security of life and property has been rudely shaken by the events of the last few months, and by the ever approaching march of the enemy to the frontiers of this country. We have been asked from the highest quarters not to be nervous and not to be panicky in the face of danger. It is very well to give this advice. The people of this country having been disarmed now for two centuries have not seen the sight of blood and are naturally horrified at the prospect of war at their doors. They have been repeatedly assured of peace and security by their being in the Empire, inasmuch as the British Navy, Army and Air Force would always be available to defend their shores and frontiers. Sir, it is difficult for the average man in this country to reconcile these assurances with recent facts of what has happened from Singapore to Rangoon. Besides, when they hear of the woes of responsible people in Australia at their inability to defend themselves adequately without timely aid, the people of this country are naturally wondering at the prospect in store for them.

Sir, if the panic which does prevail in the country must be removed what is necessary and imperative is in the first place to create immediately confidence among the people that their lives and property will be protected and that the British Navy and Air Force will be there at the right time in adequate strength. This confidence cannot be inspired any longer by the statements of the highest British authorities, be he the Governor General or the Commander-in-Chief, the Secretary of State or even the Prime Minister, that confidence can be inspired only if the trusted leaders of the people themselves are in a position, with inner knowledge and with the power to help, to tell the people not to lose heart, but to face the danger with calmness. Sir, if this change in the outlook and policy of the Government which is urgently called for was realised financial burdens even greater than those imposed in this Budget will be cheerfully borne. I do hope that in spite of delays, the decision of His Majesty's Government in this connection which is eagerly awaited will show that British statesmanship can rise to the gravity of the situation.

While these observations apply in general to the country at large, I may take this opportunity of drawing attention to the immediate need of doing away with official red tape in certain respects at the present moment. In the first place, Government seems to be criminally slow in putting into operation its scheme for war risk insurance for industrial machinery and buildings. In the absence of this, investments are falling in value and the panic is on the increase. The Government is equally interested in some of the industries which are supplying war needs and I fail to understand why this very essential measure cannot go forward without delay so that the adverse effects of panic may be minimised on industrial investments. The same red tape methods will have to be cut down in the matter of income-tax collections. With the exodus of large numbers of people from the cities, the problems of income-tax collection will become difficult. If the estimated revenue is to be realised, the wiser thing would be to collect your taxes without unduly delaying and

[Sir Shantidas Askuran.]

harassing procedure for which the Income-tax Department has become notorious.

One other factor which adds to red tape and increased vested interests in the so-called official world is the multiplication of numerous offices and jobs of all sorts ostensibly on account of the war. While the strain of the new work due to the war must lead to new and more appointments, I doubt if the necessary precaution has been taken in this connection. All sorts of people irrespective of their qualifications are now being provided in the new offices with fat jobs and the feeling is widespread that instead of efficiency and despatch of work at this juncture, this has led to more red tape, more delays and greater waste and inefficiency. This must be stopped ruthlessly if the taxpayer is to feel that he is getting his due for the new burdens from the administration.

Coming to the proposals of the Finance Member for finding part of the purchasing power of the people for future use as a measure to prevent inflation, I may say that though they are in the right direction, they do not go far enough. The proposal for funding part of the amount collected as tax applies only up to incomes of Rs. 6,000. There are a large number of people above this limit, say, up to those with an income of Rs. 24,000 who should be assisted in the same way. Though some of them may have taken the advantage of maximum relief by way of insurance or provident fund, there are many among this class who do not have opportunities to obtain such relief or who cannot now get such relief even if they want to. Arrangements should be made by which people in this category should be entitled to the maximum exemption allowed in respect of insurance and provident fund, with the provision that the amount not claimed under this exemption shall be funded. This will serve the main purpose of the scheme of postponing purchasing power, and yet give some relief to this class of taxpayers, whose burdens in the form of commodity taxes and high prices are bound to be large in proportion to their incomes. I do hope the Finance Member will see his way to consider this point favourably.

The Finance Member has explained at some length the results of the scheme of repatriation of sterling debt. The advantages of internal debt as against external debt are well known and the country must be grateful to the Finance Member for taking advantage of the present juncture in bringing about this result. In this connection, I may refer to two points which should be borne in mind, in carrying out this policy to its logical conclusion. In the first place, we shall have still a sterling liability after the proposed arrangements are carried out. This is mainly on account of railway amenities. In addition to this, we are now incurring another foreign liability in the form of our Lease and Lend purchases from the U.S.A. This liability, the exact figures of which are not yet known, will however go on increasing during the period of the war. At the same time, the same causes which resulted in the accumulation of sterling resources to our credit in recent years will persist, perhaps in a more intense form. I should like to see in the first place an arrangement by which our entire sterling and dollar liabilities are extinguished by means of this credit, and, in the second place, if the credit in our favour is larger than required to pay off the debt, as it is likely to be, we should acquire gold either from the U.S.A. or from other sources; or the gold which may have been located in India on account of other countries. If actual importation is risky during the war, gold can be earmarked to our account and kept in the U.S.A. during the period of the war and brought to this country after

the war. I suggest this in order to strengthen our gold reserves; such acquisition of gold will not only be a source of strength to our financial stability after the war, but will inspire confidence among the people who have been naturally sore at the huge exports of gold from the country in recent years.

Regarding silver, I should like to say that the Government of India should have a settled policy. I protested in 1935 against the reduction of the silver duty. Large amounts of silver stocks are held by the people as a store of value; the poorer sections of the people cannot afford to have gold and they do not know modern methods of investment. Anything which is likely to depress the value of silver should therefore be discouraged. I am glad that the 20 per cent. surcharge on the existing silver duty will incidentally work in the right direction. I should, however, prefer that there is a definite policy in this connection and not an uncertain duty which may be changed at any time. I do hope this point will be borne in mind and early steps taken to formulate a silver policy for the country. In this connection I may draw attention to the frequent occasions on which the Government have sold silver at low rates with depressing effects on the market. They did so in recent weeks and have now found themselves in a halting position, if I may say so; I wonder if their stocks are exhausted? This policy is ruinous both from the point of view of Government finance because it involves a loss and also from the point of view of the poor man whose silver stocks depreciate in value. I submit in all earnestness that the Government of India should have a more definite policy for silver designed in the interests of the people. I repeat that if steps are taken to strengthen our gold reserves in the manner suggested by me and also to practise a consistent well thought out silver policy for the country, we shall be in a sound financial position to face new situations after the war.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, in the Budget for the current year it was estimated that out of the total expenditure of about Rs. 127 crores a little over Rs. 84 crores would be war expenditure and the remainder, a little over Rs. 42½ crores, would be civil expenditure. It is thus clear that the war expenditure was double that of the civil expenditure. In the existing Budget however, the proportion of war expenditure has risen further. Out of a total expenditure of nearly Rs. 187 crores the war expenditure will amount to about Rs. 133 crores. Roughly speaking, therefore, our war expenditure would amount to about 75 per cent. of the Budget. Now, owing to the increasing expenditure on account of the war the Honourable the Finance Member has found himself in serious financial difficulties and has come to ask us for further help. According to the figures given by him, he will be faced with a deficit of about Rs. 17½ crores this year and in the next year with a deficit of about Rs. 47 crores. In order to meet the deficit next year he has proposed certain arrangements which would bring in about Rs. 12 crores, and as regards the balance of the expenditure he proposed to meet it by borrowing the money that may be needed. Now, the proposals made by him for increasing our revenue relate partly to increases in the income-tax and corporation tax and partly to the 20 per cent. surcharge on the customs revenue except in regard to one or two items. In addition to this the postal and telegraph rates are to be enhanced and a few other changes are to be made bringing in as I have already said about Rs. 12 crores. But this will still, as I have said, leave the Finance Member with a deficit of nearly Rs. 35 crores. In order to find the money required to meet this deficit and to pay for the repayment of 70 millions of the sterling debt which he proposes to repatriate

[Pandit Hirday Nath Kunzru.]

next year, he relies, in addition to the defence loans, on two proposals made by him in the Budget. One is that people with incomes between Rs. 750 and Rs. 1,500 should either pay the income-tax proposed by him or should deposit a sum equivalent to one and a quarter times the tax that they would have to pay with the Government.

THE HONOURABLE MR. C. E. JONES (Finance Secretary): The limits are Rs. 1,000 and Rs. 2,000 and not Rs. 750 and Rs. 1,500.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What I am saying is that the people who will make this contribution will be persons whose incomes are between Rs. 750 and Rs. 1,500 or Rs. 2,000?

THE HONOURABLE MR. C. E. JONES: The limits are Rs. 1,000 and Rs. 2,000.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: That is, if they are not prepared to deposit a certain sum of money with Government they will have to pay a certain amount of tax and the tax will have to be paid only by people whose incomes are between Rs. 1,000 and Rs. 2,000 only; but I understand that the deposits will have to be made by people with lower incomes.

THE HONOURABLE MR. C. E. JONES: If I might explain the position, Sir, people whose incomes are between Rs. 1,000 and Rs. 2,000 are at present not liable to income-tax. According to the proposals now put forward they will be liable to income-tax at the rate of six pies in the rupee on the excess of their income over Rs. 750 per annum. That liability only applies to people with incomes between Rs. 1,000 and Rs. 2,000 per annum and that liability can be discharged if they deposit in the post office defence savings bank account an amount which is roughly one and a quarter times the amount which they would otherwise be liable to pay by way of income-tax.

THE HONOURABLE THE PRESIDENT: Can you tell me how many people will avail themselves of this relief?

THE HONOURABLE MR. C. E. JONES: We imagine practically all, Sir, the option being extremely favourable.

THE HONOURABLE SIR SHANTIDAS ASKURAN: Are you going to advertise it fully so that poor people might know?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: This is one of the methods by which Government propose to get a certain amount of money in order to meet the uncovered deficit and also to find money for the repayment of the sterling debt which they propose to repatriate. The other method relates to the Excess Profits Duty. Government are prepared, according to the Finance Member, to contribute an amount not exceeding one-tenth of the net excess profits tax at the rate of 66½ per cent. provided the assessee deposits a sum equal to double this amount. If the suggestion made by Government is accepted by the industrialists, as it doubtless will be because it is in their own interest, a certain amount of purchasing power in the hands of the people would be reduced and at the same time Government will get some money in order to meet their requirements.

Now, Sir, in order to consider to what extent the position as represented in the Budget is a true one we have to take account of the statement made by the Finance Member that in this year and in the next we expect to receive materials worth about Rs. 45 crores from America under the Lease-Lend Act. Of this about Rs. 11 crores will be received this year and Rs. 34 crores next year. It is obvious therefore that the material received this year or next year will not have to be paid for immediately. The Finance Member treats this expenditure on a cash basis on the ground explained by him that as the Government do not know—

“the precise nature of the obligation that these Lease-Lend facilities will impose on the Government it is therefore considered prudent for the time being to budget and account for these stores in the same way as though they had been obtained by cash purchase until the precise manner in which the Lease-Lend liability will ultimately be liquidated becomes known”.

As we have obtained assistance on the same terms as England and as it is understood that the amount to be paid for the material obtained from America will have to be spread over a long period there is no particular reason why full provision for the payment of the price of the material should be made in the current year and the next year. Indeed when the Lease-Lend Act was passed it was thought that full payment might not have to be made in the form of cash and that certain other methods of payment might be developed. In view of these circumstances it seems to me that we shall be taking a truer view of our finances if for the time being we exclude this expenditure from the Budget only bearing in mind that there will subsequently be a long term liability to be discharged by us. If we take this view, we shall find that the deficit of Rs. 17 crores this year is reduced to about Rs. 6 crores and that of next year practically disappears. There will be only a crore of rupees to be found by Government to cover the deficit.

THE HONOURABLE MR. C. E. JONES: If I may say one word by way of explanation again, with apologies for interrupting, I should like to point out that a good proportion of this Lease-Lend assistance which is received will be used for the purpose of Indian forces that are sent overseas, say to Burma, in which case, as was explained in the Budget Speech the benefits and obligations will accrue to His Majesty's Government. It is only that portion of the lease-lend assistance which will certainly not amount to Rs. 45 crores which is actually retained in India in respect of which the benefits and the obligations will rest with the Government of India.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I do not doubt that at all. I do not mean to suggest that the money for meeting the present obligations would have to be found by the Government of Great Britain. I assume that the material that we were receiving would have to be paid for by us. Yet the arguments used by me stand.

THE HONOURABLE MR. C. E. JONES: Except as regards the amount. The amount would not be Rs. 33 crores next year or anything like it because the obligation will rest on His Majesty's Government for a considerable portion of the Rs. 33 crores. Of the Rs. 33 crores worth of materials which is received here, only the cost of such portion as is retained for the purpose of India would affect this deficit of Rs. 35 crores.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I am very glad to have this explanation because that makes the position clearer. The Finance Member's speech does not seem to make that quite clear, but I am

[5TH MAR. 1942]

[Pandit Hirday Nath Kunzru.]

nevertheless glad to have this explanation from the Finance Secretary. I should like to know what is the total amount of money for which we shall be ultimately responsible. Perhaps he will be able to give us this information when the debate is wound up as it is a matter of considerable interest.

THE HONOURABLE MR. C. E. JONES : I am sorry I would not be in a position to give that in any case. It will depend on the developments of the war next year.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : At any rate, Sir, so far as we can see, our position will be easier next year than it seems to be from the Finance Member's speech although a part of the advantage accruing from the assistance received under the Lease-Lend scheme from the United States of America will go to Great Britain.

Now, Sir, as regards the other items, I should like to point out that the Finance Member has budgeted for a contribution of Rs. 2½ crores from Burma.

12 NOON. This is the sum received by us annually from the Burma Government. I do not know to what extent we can rely on the payment of this sum. Let us hope that in spite of the gloomy situation in Burma things will improve and that the British and Indian Armies there will in course of time not only be able to hold their own but to drive the invader back, but I think as prudent men we cannot lose sight of the fact that it may not be possible for us to receive the budgeted contribution from the Burma Government. If we don't, our revenue position will to that extent be worse than is described in the Budget, but taking all these things into account and also the provision of Rs. 3 crores made for the reduction and avoidance of debt, it still seems to me that our budgetary position is better than would appear on a superficial reading of the Finance Member's speech.

Now, Sir, coming to the proposals made by the Finance Member, I should like first of all to welcome the preparedness of Government to contribute up to one-sixth of the Excess Profits Duty in order to enable the industries concerned to lay by some money for their development and rehabilitation after the war. This is a step in the right direction and it is one that will be warmly welcomed by all those who are interested in the industrial development of the country. I should like also, before I go further, to congratulate Government warmly on the steps taken by them to reduce our sterling debt. Large sums have been already repatriated ; further sums will be repatriated by them in the course of this year and the next year. I am extremely glad that Government have taken advantage of their resources at the present time to reduce the sterling liability of the country and thus to strengthen its financial position.

Having said this, Sir, I should like to say a word or two with regard to the actual proposals made by the Finance Member for raising revenue. In the present situation, while it would be easy to criticise measures suggested by the Finance Member it would be difficult to find alternative sources of revenue. Nevertheless, I am inclined to look askance at the increased duty on kerosene, which will hit poor people hard. The question is undoubtedly a difficult one and it is connected with the use of other kinds of mineral oils. I do not know to what extent kerosene can be treated specially but this is a matter which requires the consideration of Government.

Sir, Government have proposed an increase in the Customs duties. This will also to the extent that these increased duties will have to be paid on goods purchased by the poor man increase his cost of living, and, if in addition to this we take into account the rising prices, particularly in respect of the food-grains and textiles, I think it is legitimate for us to ask Government to have a little more consideration for the poor man even in these difficult times.

As regards, Sir, the scheme for what has been called " Compulsory Savings " by the Finance Member and which seems to be an adaptation of the suggestions put forward by Mr. Keynes with regard to England, I will only say that, while I welcome it in its broad features, I wish that people up to incomes of at least Rs. 1,200 a year should not be brought under it. My reasons are precisely those that I have already given for disapproving of the rise in the duty on kerosene. People with an income of Rs. 100 a month cannot even in India be regarded as the Finance Member contended in another place yesterday to belong to the middle class. If they belong to the middle class at all they belong to the lower middle class. The burdens which such classes have to bear are too well known to require any description at my hands and I should personally think that Government would be taking a wise step if they exempted people with incomes not exceeding Rs. 1,200 from the operation of their scheme of Compulsory Savings. I make this suggestion, Sir, further on the ground that in England, owing to the family allowances that are given, the position of poor taxpayers is better than it is in this country. Besides, in England foodstuffs are rationed. Here, the prices of foodstuffs are rising and the only way in which the poor man can be helped is by adding to his wages. In England, however, this difficulty has been overcome by the rationing of foodstuffs. Apart from this the British Government gives a subsidy in the case of milk, so that its use as far as possible might not be reduced. These are valuable features of the British system which require attention here but as we have not adopted those measures which make the situation rather easy for the man of small means in England I think this makes it all the more desirable that people with incomes up to Rs. 1,200 should be exempted from the Compulsory Savings Scheme. I do not mean that they will lose if they can save anything at the present time, but what I suggest is that they may find it hard, very hard, at the present time to contribute to the Savings Scheme propounded by the Finance Member.

I wish now to deal rapidly with one or two other matters before I come to the main feature of the Budget, namely, Defence expenditure. Sir, I have already referred to the rise in the prices of foodstuffs. This is a matter that was referred to in the other House yesterday. The Finance Member, I think, said in the course of his reply that as there was not a sufficient quantity of foodstuffs to go round it was all the more necessary that the purchasing power in the hands of the people should be reduced so that competition for the limited quantity of foodstuffs available might be reduced. He also said that attempts were being made to increase the acreage under food crops. I do not know, Sir, what are the efforts that have been made in this direction. I should like to have fuller information on the subject. We are at present asked to export cereals to Iraq, Iran and other countries, and Ceylon now wants us to send it the rice that it needs. We shall not grudge any assistance that we can give any country at this time. The people of this country will even be prepared to put up with hardships in order that they may help others who are in the same boat with them. But there is a limit to the sacrifices which can be imposed in this connection on them. It is not enough for Government to say that efforts are being made to increase the quantity of foodgrains

[Pandit Hirday Nath Kunzru.]

available to the people. I should like to know that determined efforts are being made in this connection, that the necessary plans have been made and that they will very soon be put into execution. Again, if there is only a limited quantity of foodstuffs to go round and its quantity is likely to go down in the near future, it is not desirable for Government to have some method of rationing them so that the burdens of the poor man might not be increased much further? So long as he has to compete with men of better means for the purchase of the necessities of life he will be at a disadvantage as compared with them. But if their distribution is taken in hand by Government, he will at any rate not be in a worse position than other people. I hope, therefore, that Government will take this question, which is a very important one from the point of view of the man of small means, into consideration.

Sir, there is just one word more that I should like to say with regard to those features of the Budget that I have already touched upon. I have already said that I welcome the efforts made by Government to reduce our sterling liabilities. But I should like to point out to them another direction in which they can help this country. There are three important railway lines owned by the State but still under company-management. They are the Bengal Nagpur Railway, the Madras and Southern Mahratta Railway and the South Indian Railway. The capital raised by these companies which will have to be repaid to them when these lines are brought under State-management is a small one. It is about £5,000,000 in the case of the Madras and Southern Mahratta Railway, £3,000,000 in the case of the Bengal Nagpur Railway and £1,000,000 in the case of the South Indian Railway. We shall, therefore, have to pay the companies managing these railway lines only about £9,000,000, unless they have raised additional capital since their last agreements with the Secretary of State—

THE HONOURABLE THE PRESIDENT : When do their contracts expire?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I will just deal with that, Sir. There remains the question of the expiration of their contracts. The contracts with the Madras and Southern Mahratta Railway and the South Indian Railway, as I pointed out during the course of the Railway Budget debate, will expire on the 31st December, 1945, and that with the Bengal Nagpur Railway in 1950. I hope, therefore, that the Government of India will seek the good offices of the British authorities in this matter and give undiluted satisfaction to the people of this country by bringing these State-owned lines under State-management.

Sir, before I pass on to the Defence Budget, I should like to say one word with regard to the need for economy in spite of the discouraging observations made by the Finance Member in another place yesterday. Taking the current year and the previous year together, our civil expenditure has increased by Rs. 11½ crores. These are exceptional times. Increase of expenditure is inevitable. We cannot scrutinise expenditure in the same leisurely way in which we can when peace reigns. Nevertheless, Sir, we should like to feel that a careful watch is being kept on the growth of expenditure and that every attempt is being made to see that every rupee that we spend is used in the best possible manner. I should, Sir, in this connection draw the attention of the Government to two points which in my opinion require explanation. They are small points. Even if they are satisfactorily dealt with, they cannot help appreciably to reduce civil expenditure. But such instances

create the belief that expenditure is not being kept under proper control. I shall first refer in this connection to the fortnightly called *Indian Information* which is published under the auspices of the Government of India. We know that there is an acute shortage of paper at the present time. I should like to know what are the steps that have been taken to use paper of a cheaper quality in connection with this paper or to reduce its volume so that there may be no undue competition with the private purchasers of paper. Again, Sir, this paper is issued in three editions, English, Urdu and Hindi. They have, I understand, a fairly large circulation. Are we certain that copies of this paper are sent only to people who can make use of them? The paper will be of use only to those men who are connected with journalism or with public affairs in some way. To distribute it liberally may make Government feel that it is being widely read, but I do not think that the purpose which they have in view will be served. The question therefore of scrutinising its circulation and reducing it wherever necessary should be considered and the quality and the quantity of paper used by it should also be brought under review, particularly as there is an acute shortage of paper at the present time.

The other point to which I draw attention is to the news published in January last, I believe in *The Leader*, regarding the additional subsidy of Rs. 4.56 lakhs which Government propose to pay to the Indian National Airways. This subsidy is to be paid in addition to the subsidy of Rs. 3.24 lakhs paid to it now. Formerly the Company was operating five services between, I think, Karachi and Lahore, three of which were extended to Delhi. According to a Press Note recently issued by Government, these services have been discontinued and a new Delhi-Calcutta service has been started by this Company. A question was put on this subject in the Legislative Assembly in the last session and I gather from the reply given by the Member for Communications that the whole question of giving subsidies to the companies operating air services was under consideration. I should therefore like to have full information with regard to the additional subsidy proposed to be given by Government to the Indian National Airways. In the first place I should like to know whether the information published in the papers to which I have referred above and which has not been contradicted by Government so far as I know is true. The second point on which I should like to have information is whether the subsidy, if it is going to be paid, will be paid this year or next year. And lastly, I should like to know what are the considerations that have induced Government to add materially to the subsidy already paid to this Company, particularly when it is making a profit of about Rs. 48,000. (An Honourable Member : On what capital?) I do not remember the capital.

Sir, I am afraid I have already spoken for a pretty long time but if you will be a little indulgent I should like to refer to my favourite subject, the Defence services.

THE HONOURABLE THE PRESIDENT : Please be as brief as possible.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Yes, Sir. As I said at the beginning, we shall be incurring this year an expenditure of Rs. 133 crores in connection with the defence of the country. We should therefore like to feel that the money is being utilised in such a way as to increase the capacity of this country for its defence to the maximum possible extent. The Finance Member has assured us in his Budget Speech that adequate steps are being taken in this connection. He has made special efforts to reassure us in connection with the question of the production of war material, regarding which

[Pandit Hirday Nath Kunzru.]

there is no little anxiety in the country. I should like to believe that the picture painted by him is a true one, but I am inclined to think that he is a little too partial to the Government of India and that he might, without being unfair to the Government of India, have done the country a service by admitting freely that Government had not fully discharged the duty that lay on them in connection with the production of essential materials in this country. I will not go into detail on this question, but those who have taken any interest in it will I think agree with me that the hopes that we entertained from the Roger Commission have not yet been realised. The Report of that Commission has not been published. We do not therefore know what it contained. Nevertheless we understand that it made recommendations of a very far-reaching character. Even those recommendations may not suffice for our present needs because of the developments that have occurred since the Commission came to this country. But our fear is that even the recommendations made by the Commission have not been fully carried out and that the policy of co-ordination which was insisted on by the British authorities has prevented us from developing the manufacture of articles which could be got from Australia in the Eastern Group and from countries outside it. If this is so, a special responsibility rests both on the British Government and the Government of India in this connection. It is their bounden duty to do what they can at the present time to start new factories and to increase and expand existing ones to the maximum extent possible. The Finance Member has told us that about 20 new projects are in hand as the approval of His Majesty's Government to certain recommendations of the Roger Commission has been received. I do not know what the proposals were and to what extent the proposals of the Roger Commission have been carried out, but the delay that has taken place has already created a very serious anxiety in the country and has placed it in a position of great difficulty. I feel, Sir, that the cardinal weakness of our situation is that we have considered it our chief duty to arrange only for the supply of goods ordered either by our own military authorities or by other countries. I doubt whether things have been done in the same way in England or in the other countries engaged in the war. I regret that there is no Department of Production whose duty it would have been to pay incessant attention to this question to make plans ahead by anticipating needs and thus to be ready to meet contingencies that might arise in the future. It is not right that the military authorities should be left to plan for themselves. Had such a method been sound, Ministries of Production and Supply in other countries would not have been started. This cardinal weakness, I think, should be remedied as early as possible. I have no doubt that some attention has been paid to this matter also. But some visible proof should be given to the country of the readiness of the Government to take exceptional measures at the present time to deal with an exceptional situation.

Lastly, Sir, I should like to say just one word with regard to the extent to which the money spent on our defence has been utilised to build up the national morale and to enable the civilian population to take a hand in the defence of the country. In the debate that took place in the House of Lords the other day Lord Strabolgi suggested that the people of the country should be armed and observed that it was "the mark of a freeman at the present time to bear arms in the defence of his own country". But the Government of India have yet taken no steps in this direction. They are still obsessed by the fear that the arms placed in the hands of the people might be used in order to create disturbances in the country. No one who desires that the civil population should be armed wants that Government should just announce that it would give arms to

anybody who asked for them. If they are prepared to follow the policy suggested they would undoubtedly build up an organisation and train only those people in the use of arms who are prepared to come under their scheme. That is the method in which the civil population has been trained in other countries and it is the same method that ought to be utilised in this country. Had we had a National Government I have no doubt that this question would have been attended to long ago, but our misfortune is that while we are asked to contribute large sums for the defence of the country we are not allowed to have any voice in the direction of our affairs. This is a time when the desire for freedom among the people should be made use of to the utmost limit, when Government should stimulate the patriotism of the people at large and utilise it for the defence of the country. They are nevertheless, I fear, thinking of the stability of their own rule and have not yet taken those steps which free countries have done and which India would certainly have taken had it been free. This is the most important point that can be pressed on the attention of the Government at the present time. We all know that the question of India's contributory status is receiving the consideration of His Majesty's Government at the present time. But speed is necessary if very valuable time is not to be lost. Power ought to be placed in the hands of the people as early as possible in order that feeling that their own freedom is at stake this might be prepared in the same way as the people of other countries to make the utmost sacrifices for the preservation of the integrity and freedom of their country. I trust that this question will receive the early consideration of Government for unless it is solved our troubles and those of the British Government will not come to an end.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadian) : Mr. President, Sir, the most characteristic feature of a war-time budget is the rising expenditure on the Defence services, which in India has already reached the scale of Rs. 40 lakhs a day, and is continuing to grow. Additional taxation or large scale borrowings is also an inevitable consequence of war-time finance. But one would have expected, along with these, an intensive drive for economy and eliminating all extravagance. The Finance Member's Budget Speech manifests the first two tendencies very abundantly, but war-time economy is conspicuous by its absence.

Speaking of fresh taxations, I must enter a strong protest against the lowering of the taxable limit of income to Rs. 1,000. This ropes in a class of people who are already hard hit by the war, by the rising prices that have come to stay in spite of all the price control measures either contemplated or put in force by the Government. These people have not much to spend unnecessarily, and the fact the Finance Member should have hit upon them for experimenting with his National Savings Scheme is indeed to be regretted. The amount that the Finance Member hopes to get in this way is not clear ; but it may be inferred that since he expects only a total amount of Rs. 5.30 lakhs from the income-tax, central surcharge on incomes, and the excess profits tax, the amount from this income-tax alone cannot be very impressive. The justification for this method is that the tax can be evaded if the people prefer to deposit with Government a more or less equal amount which would be returned after the war with interest. In my opinion this is hardly a method of checking inflation if that is the motive of the Finance Member.

As regards the Reserve which it is proposed to build up from the Excess Profits Tax, it amounts to nothing more in plain language than to ask for 80 per cent. now on the promise of returning 20 per cent. later. Of course, the

[Mr. M. N. Dalal.]

scheme is not entirely without merits. The Finance Member has only diluted the scheme of John Maynard Keynes now in vogue in England and has endeavoured to apply it hesitantly. In the case of the Excess Profits Tax Reserve also, the Finance Member says that the Government are prepared to contribute an amount up to but not exceeding one-tenth of the net excess profits tax ultimately paid at the rate of 66½ per cent., provided that the assessee deposits a sum equal to double this amount. Though the scheme looks very innocent at first sight it is not without objectionable features. I do not mean the conditions under which it is proposed to give the Government's contribution will, together with the interest on the assessee's deposit, be a taxable receipt of the year in which it is repaid". Which means the taxpayer has again to foot the bill for this contribution of the Government.

Now I may refer to one or two of the indirect taxation proposals. The raising of the postal letter rates from 1½ annas to 1½ annas is extremely ill-advised, for it seems to me there is not the slightest chance of Government benefiting by it at all. The public will now automatically take to the post-card as the cheaper method of communication, though it will inevitably impose an arbitrary brevity on epistolary style. By increasing the letter rates to 1½ annas, the Finance Member has made the mistake of increasing it to the point of diminishing returns. He has also enhanced the Telegraph rates and the Telephone rates, and expects an increased revenue from this source. This also I believe is largely illusory, considering that since the outbreak of war the largest users of the Telegraph and Telephone services have been the Government themselves. The increased revenue can, therefore, be only a matter of book adjustment.

Finally, the Finance Member proposes to raise a large portion of Rs. 570 lakhs by levying a 20 per cent. surcharge on customs duties both protective and revenue. I welcome this surcharge, but it is however impossible to see how these expectations can be realised, in view of the increasingly uncertain shipping situation and the consequent shrinkage in import trade. The increased duty on kerosene for the time being in force, will also hit the poorer classes of people. I am however glad that the Finance Member has taxed us to the tune of an additional Rs. 12 crores, which is only a quarter of the total deficit, and the balance he wishes to cover by borrowing. I hope he will tell us a little more about our borrowing programme in his reply.

The Finance Member has devoted a considerable portion of his speech to the industrial progress in India as a result of the war. He is silent on the question of establishing an automobile industry in India, but speaks at length though late in the day, on the achievements of the aeroplane factory and the development of the Royal Indian Navy. At a time when it has become absolutely suicidal to depend on America and Britain for our essential requirements, it is to be hoped that the Defence Department would shed its prejudices, and make a start on similar lines for the automobile factory.

The Finance Member, again, referred in detail to the various training schemes under way, military as well as technical. In this connection I cannot help expressing my condemnation of the discrimination that is being practised by the authorities between Indians and British. Dr. Moonje, the founder of the Bhonsle Military School revealed the other day that the military authorities

turned down his request for the use of unserviceable rifles even though Government were placing even serviceable rifles at the disposal of European schools and institutions.

Government, it is stated, have examined the recommendations of the Roger Commission, and 20 new projects involving in all a capital outlay of Rs. 12 crores are under way or nearing completion. The Roger Mission's Report itself has not so far seen the light of day, though there has been insistent demands from the Legislature and the public that it should be published. In the circumstances it is impossible to share the Finance Member's jubilation at the mere number of twenty projects without knowing its long range nation-building value.

It is also difficult to enthuse over the fact of America's extension of the Lease and Lend facilities, when India does not know the precise nature of the obligations that the Lease-Lend facilities will impose on the country. Under the Financial Settlement with His Majesty's Government only such portion of the expansion of India's Defence services as is related to India's local defence requirements is chargeable to Indian revenues, while the whole cost, initial and recurring, of such additional forces as are sent overseas is recoverable from His Majesty's Government. In the current year, the expenditure on Defence services are expected to be something like Rs. 100 crores initial and Rs. 40 crores recurring. India's share of these commitments will amount to Rs. 54 crores. In the coming year, India's share of the expenditure on the defence services has been placed at Rs. 133 crores while the amount expected to be recoverable from His Majesty's Government is put at the enormous total of Rs. 400 crores. As the United Kingdom is only to meet the cost of such troops and equipment as are sent overseas, the disparity in figures of Rs. 133 crores and Rs. 400 crores is too striking to escape notice. Its significance is, that the preparations for India's local requirements amount to a little more than one-fourth of the preparations which are made for purposes of Imperial defence. Of course, spokesmen of Britain and the Defence Department in India have tried to justify that the troops and material sent overseas are for defending the outer bastions of India in the east and the west, and that is designed to ward off war from India's shores. With the fall of a much valued outer bastion like Singapore, no Indian can contemplate with equanimity the drain of men and material from India's shores any longer. Such a policy has not succeeded in warding off the war from India, and the consequences of still persisting in it may be fatal. It is no consolation to be told that His Majesty's Government foots the bill for this policy. India is perfectly willing to foot the bill entirely herself, provided all the efforts are directed towards the immediate purpose of defending India's security.

Of course, I realise that in war time no estimates with regard to the future can pretend to be infallible. The taxpayer may at some future date again be called upon to pay for what the Government have now held out as a bait for the richer and upper classes. But, the method of finding out new sources of taxation, especially those connected with the National Savings Scheme, without regard to their desirability, betray a panicky state of mind, in which the only dominant consideration is to get more money. However, the war comes to the rescue of the Finance Member, and so far as this war is concerned, I have no doubt Government can rely on the support of the whole country in any financial measures they may be obliged to take to defend this country, and preserve its place of honourable freedom in the world.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce): It is a very poor consolation to be one of the few people who five

[Mr. R. H. Parker.]

years ago were critical of a Budget of Rs. 45 crores for the Army as being inadequate in the face of the rearmament of the other nations of the world. I would like to say a few words in comment on things that have been said this morning by other Honourable Members.

Sir Shantidas Askuran was pressing upon Government the importance of War Risk Insurance. With those remarks I am in full sympathy but we all know that with the vast resources of the British Insurance Companies they came to the conclusion before and after the beginning of this war that they were not in a position to deal with the situation. This gives some idea of the complexity and difficulty of doing so.

THE HONOURABLE SIR SHANTIDAS ASKURAN: The other day the Commerce Member said that Government is preparing a War Risk Insurance scheme.

THE HONOURABLE MR. R. H. PARKER: I know that. I hope he is, but I am merely pointing out that it is a very difficult subject and therefore he has taken time.

Sir Shantidas Askuran also referred to the subject of gold and he deplored the exports of gold from this country. I think the real point is what we have got for the gold. Personally I would rather have two good guns than 200 tons of gold.

The Honourable Pandit Kunzru referred to the Excess Profits Tax and to the provisions relating to the amount which Government agree under certain conditions to set on one side for the future benefit of the assessee. Well, I think those benefits depend very largely on three or four factors which are quite unknown to us. One is how long the war will last and another is the terms of repayment. Neither of these is known and I think it is highly desirable that Government should as soon as possible announce those terms.

The Honourable Pandit Kunzru also urged the case, for some unknown reason, of the man who gets between Rs. 1,000 a year and Rs. 1,200 a year. I do not know why he draws a line at incomes of Rs. 1,200 instead of at Rs. 1,000 but it seems to me a small point to argue about. I would like to suggest that another class of person be invited to contribute to the funds required for the war effort on an income in somewhat similar manner and that is the large number of individuals who are now being paid for assisting in the war work who would not normally be earning any income at all. I suggest that those persons might be asked to take their pay in some form of deferred assets.

One Honourable Member—I think it was Pandit Kunzru—referred to the waste, as he called it, of money in connection with the paper, *Indian Information*. I do not know whether all recipients had a similar communication but I remember receiving a communication asking me whether I made use of it and whether I would like to have more copies and I had an opportunity of saying “Yes” or “No”, and I do not think we can grumble about that.

Then I would like to support the remarks made in favour of a Department of Production. It is one thing to look at a subject from the Supply point of view and quite another thing to start at the other end and see what can be done, what can be produced and so on and the two should naturally meet somewhere and discuss the different problems.

There were complaints about the lack of distribution of arms to the general public. Firstly, we have not got enough arms for the trained soldiers I take it, or certainly for the potential number of trained soldiers. If we had those we might take care of the rest.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: We should be all the more worried then.

THE HONOURABLE MR. R. H. PARKER: To get more arms and to make use of them I agree.

Sir, no one regrets more deeply than I do the extent to which the aid of the United Kingdom has proved to be inadequate but all in India must bear their share of the responsibility for this state of affairs for few, if any, in the past showed a real willingness to contribute to adequate defence expenditure.

I cannot help feeling that there is something admirable in the efforts now being made by England to regain lost ground. A contribution to the defences of India in one year of Rs. 200 crores and in the following year of Rs. 400 crores—the latter comparing with Indian expenditure of Rs. 133 crores—is something for which gratitude seems due. It is a point that perhaps we ought to have taken into account the other day in this House when we were considering the Resolution moved by the Honourable Pandit Hirday Nath Kunzru recommending that the defences of India should be placed entirely in the hands of an Indian. I do not say that that Resolution was wrong. I spoke in favour of it and I voted for it. But I still maintain that this is a point that perhaps we ought to have brought before ourselves.

I am sorry to see there are in some cases indications of a lack of co-ordination of control of expenditure to ensure the maximum benefit in connection with A.R.P. There have been cases where the methods of protecting adopted by Government-controlled institutions have been directly contrary to the expert advice issued by Government itself, advice which was accompanied by very stringent reasons for following it. It seems very important that care should be taken that all the best available expert knowledge should be followed so that the greatest possible benefit may be obtained out of the expenditure necessarily incurred.

It may be that owing to the extraordinary increase in the share of local Governments in the proceeds of the taxes on income, that some of them will find themselves—despite their obligations arising out of the war—with unexpected surpluses. Generally speaking, on economic grounds it must be carefully borne in mind that such surpluses should be spent only on immediate requirements of an essential nature and that it will be beneficial to reserve what can be set aside for expenditure at a later date. The reasons for this view are obvious and there is no need to explain them but it might be particularly borne in mind by local Governments and this view should be urged in the Provinces—particularly in those concerned—that such funds not now required might very usefully be utilised after the war for the improvement of local communications, in particular roads.

It has to be remembered that many men will be returning from the war; some of them will be used to driving vehicles; there will probably be many motor vehicles coming back from the Defence services and it seems highly probable that the best way to utilise both for the good of the men in question and the public in general will be to utilise roads for the development of the country.

[Mr. R. H. Parker.]

For the time being so far as communications are concerned, there are many important problems. We hope the new section of the Communications Department will have success in their endeavours to get the maximum use out of all available means whether by rail, road or water. Sir Arthur Salter who has taken a big part in transportation problems in England both in the last war and in the present war, once said that water transport had the great advantage that God had provided the "permanent way". I think that is a very apt remark and we have been apt to ignore water transport in more countries than one. It is of vital importance in the time of war that no vested interests should be allowed to stand in the way of the development of alternative methods of transport. In India the biggest vested interest is the Railways. It is important that everything should be done to conserve our petrol supplies and to provide alternative means of propelling road transport.

The Honourable the Railway Member recently said that the contribution which the roads could make to transport problems was only some 2 per cent. of the total. Did he take into consideration the fact that 2 per cent. of the total—even though it may not be capable of improvement as I suggest this 2 per cent. is—may also be an essential contributory part to the remaining 98 per cent. which but for the 2 per cent. would be in the grave difficulty of being unable to complete its function owing to the difficulties of getting the goods transported to and from the railways themselves. That is a very important aspect of the matter to which I particularly draw the attention of Government.

The Finance Member is clearly in a dilemma. Much of the preparation for the Budget must have been done before Japan came into the war and obviously the fall of Singapore and its consequences could neither be measured nor taken into account in framing the Budget.

He draws attention to the large extent to which the revenues of India depend on Customs receipts. It is evident that the present situation may cause a very serious decrease in the receipts from this source and it seems necessary to face the possibility that arising out of this position it may become necessary to have a supplementary budget, and any attempt to replace a shortage in revenue or to increase the sources available to meet increased expenditure could only be made in the light of the factors then known and now unknown.

It might for example be appropriate to increase the surcharge on Customs duties in the case of a decrease in the turnover in them. On the other hand it might be essential to find some alternative source of revenue in the event of the Customs receipts failing to an extent which would not allow of an increased surcharge being of any material assistance in the solving of the problem.

There are even now certain lines of thought which are indicated by the position in Great Britain. Excess Profits Tax is substantially higher there than in India as also are the taxes on income.

My personal view is that for the time being the Finance Member has acted wisely in not increasing either of these taxes more than he has done. Excess Profits Tax leaves a margin for gain which in existing circumstances seems likely to assist the war effort more than raising the tax to a higher level would. I think the question is a purely practical one of what will produce the best results for war purposes.

Much the same considerations arise in connection with income-tax and super-tax. In comparing the rates of these taxes with these in England it is

always necessary to bear in mind as one Honourable Member said this morning that there are allowances such as family allowances which do not seem suitable for application in India but which do tend to reduce the effective rate of tax in England.

The Finance Member has indicated by various measures in connection with income-tax that he is anxious to do all he can to avoid inflation. He knows as well as we do the terrible things that happened in Germany and other countries after the last war as the result of the disastrous policy followed and the inflation which took place.

There are hardships which cannot be eliminated in time of war. The solution of the rise in the cost of living is not met and cannot be met merely by an equivalent increase in payment to those who have to bear that cost. It is quite evident that the position is really controlled by the quantity of goods available and not by the quantity of money placed at the disposal of those who want the goods. Distribution of remuneration partly in the form of goods and control of prices are better ideals in the particular circumstances of the case than higher cash wages. It is obviously the effective purchasing power of cash that matters as became all too clear 20 years ago when millions of marks and million of roubles were useless and could be exchanged for nothing of any value.

In speaking on the Railway Budget recently I suggested that some authoritative advice from Government to employers would be useful. The Honourable the Communications Member then said that such advice might perhaps be given in connection with the General Budget, and I hope it will.

While, as already stated, hardship cannot be totally avoided during war, one has to minimise this while at the same time avoiding to the greatest possible extent the damage which would otherwise be done by inflationary tendencies. Apart from immediate requirements to meet increased cost in living, some persons suffer from a fear resulting from their present incapacity to save what in normal times they would have been able to save to provide for old age. If anything is done to meet this it would seem that it should be done in the form of some deferred asset which could only be realised after the war. This principle has been recognised in the new income-tax proposals relating to people with an income of Rs. 500 a month or less. It was suggested just now by one Honourable Member that that figure should be a higher one. What I would like to emphasise there, and it was mentioned in the other House yesterday, is the very great desirability of making it impossible for anybody to have a legal charge on sums of this kind set aside temporarily. At any rate my experience in this country is that, where a legal charge can be obtained on an item of that kind, it is very frequently charged from month to month, with disastrous results and a complete failure to attain the object in view.

Another class where claims should be dealt with by such deferred assets is the class where it is found proper to reward them as the result of increases in profits. Certainly to the extent to which those rewards are not reasonably required in connection with increased cost of essential consumption goods—in particular sufficient food for the health of those concerned,—the deferred asset system should be applied.

I think each of us, whether we are in the Services or whether we are in business, ought to take to heart the following advice which was actually given in the earlier days of this war to the British Civil Service. "Red tape" may

[Mr. R. H. Parker.]

be a source of some amusement in ordinary times, but it certainly is not so in existing circumstances.

"In peace, the British Civil Service stood supreme. It was honest, it was free from 'graft', it was impersonal. Its system, built up over hundreds of years was devised to counterbalance hot-headed enthusiasm in the fighting services, to prevent extravagance and waste in local government, to take the long view, and to administer the country with an almost Olympian detachment. It may have worked slowly but it worked with accuracy and precision. It worked without praise or limelight for the individual.

Now Britain is faced with invasion. India is now. Many of these qualities which made the Civil Service great in peace time now constitute a danger to the Service itself and to the nation at war.

The Civil Service is directly responsible to the soldier and the sailor. Loyalty to its country comes before loyalty to its system. You who are a Civil servant, you who are a merchant, know many instances of the system slowing down war effort. You cannot allow this to happen. You are not thinking in year: now, nor in months, nor in weeks, but in days. Complacency can undermine your country as it undermined the French.

This is no time to pass responsibility. This is the moment of initiative. This is the time to act, and argue afterwards. Better you should risk losing your job than losing your honour and your country. You have the choice of oiling the machine or clogging the works. Is your conscience clear?"

If there be any here who doubt the necessity for supporting the proposals now before them, more especially those in connection with the War, to them I would repeat the words of Aristotle: "We make war that we may live in peace". That is, I suggest, the only justification there can be for war. Professor Gilbert Murray has stated in slightly more detail our reasons for being involved in this war:—

"We went to war to save ourselves and the rest of the civilised world from the triumph of organised crime and we are fighting now for everything that man holds sacred".

Sir, in supporting the Finance Member's proposals what are we really doing? We are aiming at the provision of human and material equipment required to defend this country and to win the war. Are Government doing all they can to provide the necessary equipment of the material kind? Is everything possible being done to improve our production? Are Government seriously examining this aspect of the matter and will they do everything in their power to fill in the deficiencies? But material equipment alone is not enough. The human element is an essential part both in the production of that equipment and the utilisation of it. We are taxing the financial resources of all those in India in accordance with their capacity to pay. We must conscript for the national benefit not only their wealth but their power. The European manpower of India was rightly conscripted in the very early days of the war. Indian manpower for the Army was rightly not so conscripted, nor is there any need to adopt that method now or so long as adequate recruits come forward voluntarily to meet the Army's needs; but there are other essential services besides the Army. Government have already dealt with some of them: they have taken powers in connection with technical personnel; they have taken powers in connection with motor drivers. They should do the same wherever there is a shortage of the human element required for war purposes. Have we not here a shortage of doctors for military purposes?—then let doctors be conscripted. Have we not here a shortage of nurses for military purposes and for the purposes of civil defence?—then let women be conscripted. No one has a right in these days to sit back and make no contribution other than a financial one to the common cause. No woman who is

spending a few hours a week or even a few hours a day helping to serve soldiers in a canteen or rolling bandages for the Red Cross is doing her fair share.

There is a great deal to be said for relying on voluntary aid so long as that produces an adequate supply, but no shortage should be left unfilled and all those who are suitable to complete the required complement should be required by the State to do so.

Let Government first make a widespread announcement stating what their requirements are now and what they are going to be as far as can be foreseen as time goes on, and let them at the same time state that if there is a shortage after voluntary recruitment, then that shortage must and will be made good by other methods.

THE HONOURABLE COLONEL SIR HISSAMUDDIN BAHADUR (Nominated Non-Official): Sir, I should like to say a few words but not as a politician, which I leave for others. I noticed today, Sir, a lot of complaints about the past, which in my humble opinion would produce no useful purpose. In Persian there is a proverb. They say:—

"Guzashta khabast

Ayanda khial

Ghanimath dan

Hamin damke Halast."

It means, "The past is a dream; the future is imagination; deal with the present situation".

Sir, I now turn to the Budget.

I congratulate the Honourable the Finance Member for his lucid and illuminating speech and the presentation of his war Budget. The finances of our Government have been strictly and properly controlled and the taxation proposed is not so heavy contrary to expectations in view of the serious situation. The inevitable increase in the expenditure of the Defence services to the tune of about Rs. 40 lakhs a day reveals the gigantic defence measures taken by the Defence Department which deserves our whole-hearted support. The defence expenditure may have yet to go high in view of the still thickening war clouds and the Government may fully rely on the prompt and whole-hearted support of this Honourable House and the whole country in any war defence measure they may be obliged to take to defend this country.

In regard to the raising of the postal letter rates from 1 anna 3 pies to 1 anna 6 pies I would request the Honourable the Finance Member to inform us whether any steps have been taken to give concessions to the soldiers abroad and their families in this country. The continuance of correspondence between the soldiers abroad in various theatres of war and their families here has a very healthy wholesome refreshing and consolatory effect on both sides and thus is highly desirable. I would strongly urge the Honourable the Finance Member to give his due consideration to this aspect of the case.

I need not, Sir, recapitulate or dilate in detail the present war situation which is already so serious, I would suggest and request for a further cent. per cent. strengthening of the present war effort. United effort and perfect agreement was never more essential than today. The common enemy must be crushed, lock stock and barrel. Let us rise above petty politics. Let us render all assistance in men, money and material and, above all, spare no pains to keep up the general morale of the public at large. Co-operation with local

[Sir Hissamuddin Bahadur.]

authorities on all war defence measures should be our watchword and combating of false and alarmist rumours our social and daily life duty. Let us have faith and trust in the authorities concerned with the various aspects of the war work.

With these observations, Sir, I once again congratulate the Honourable the Finance Member for his war-time Budget, and give my heartiest support.

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

The Council reassembled after Lunch at Half Past Two of the Clock, the Honourable the President in the Chair.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Mr. President, I do not think I would be wrong in saying that the Budget which has been presented by the Honourable Sir Jeremy Raisman is the largest that the country has ever been called upon to consider. It reflects the world situation which is at the moment dark and dismal and no one knows what tomorrow has in store for us. Never in the history of humanity has mankind had to go through a gigantic struggle of the nature it is going through today and optimists tell us that we are literally witnessing the birth pangs of a new world order. No doubt for the moment the Japanese aggressor has over-run parts of the Pacific and established naval and air supremacy in the Pacific regions but the resources of the democracies and the Soviet Union are much vaster than those of the Axis Powers and if the war situation is handled with courage, with vision, with imagination, with love of freedom and democracy, there is every room for confidence. The lessons of Singapore, Malaya, Hong Kong and Burma ought not to be forgotten. Under-estimation of the enemy's strength, indifference to the policies pursued upon the morale of the civilian population, lack of proper utilisation and distribution of resources locked up in England, insufficiency of production in dependent parts of the Empire, these are the causes which have contributed to the victory of Japan in the Far East, and these causes must be eliminated, must be removed if we are to win victory in this gigantic struggle against the dark forces of vandalism. Some of these difficulties are political in their nature ; they can only be removed by political remedies ; they require for their correction an extension of the principle of freedom for which the democracies profess to be fighting. Others are economic, and I will confine myself at this stage only to considering the economic situation *vis-a-vis* the war. The Budget is undoubtedly a very large one and the deficit of Rs. 47 crores might appear at first sight to be a very large one for a country as poor as this country is, but in magnitude, size or the sacrifices it calls upon the country to make it does not compare with the budgets of the United Kingdom, or the United States or, for the matter of that, an enemy country, Japan. A National Government would have been more courageous—and this is one of the difficulties of the present Government ; it cannot be as courageous as a National Government—a National Government would have been more courageous in calling upon people to make sacrifices cheerfully for the cause, for the sacred cause of freedom and democracy, and I do not wonder—he not being member of a National Government—I do not wonder that Sir Jeremy Raisman has, with all desire to be fair to all sections of the community, had to be somewhat too tender to the class of taxpayers who are the mainstay of British power in this country, I mean the British Indian vested interests.

The Defence Budget has gone up to Rs. 133 crores. That is to say, it is nearly two and a half times more than it was in normal times. As a monetary budget there is much that can be said for it. But it will be wrong to suppose that by merely spending money we can win the war. Money must be directed towards that reduction of greater and greater volume of goods and resources which are essential for the winning of the war. National resources, both human and material, must be organised on a total basis, for it is a total war in which the democracies are engaged. For military purposes, recruiting is going on, and we are glad that over a million men have been recruited in this country. But I venture to think that in a population of 400 millions it was possible to recruit many more than a million people. Australia which has a population of about 7 millions has nearly a million men under arms. There is, in fact, no adequate provision, so far as I can see, for the maintenance of internal security in the country. We have so far looked to Singapore, the Suez, Iraq and Iran as our defences. Singapore has fallen and therefore our internal defences—defences for the defence of this country—need strengthening. We need to keep our best troops here and we need to raise a big army on a voluntary basis for the effective defence of our homes and hearths. Sir, we had last year an announcement that Government wanted to establish civic guards. They did establish civic guards. I have seen something of these civic guards. They have no arms, they have no rifles, they have just some *dandies*—

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : Sir, I do not want to interrupt the Honourable Member, but would it not be advisable for him to keep these remarks for the secret session.

THE HONOURABLE MR. P. N. SAPRU : There is nothing secret about it. The Honourable the Leader of the House is much more touchy than, I think, the Defence Secretary—

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : I am not touchy at all.

THE HONOURABLE THE PRESIDENT (to the Honourable Mr. Sapru) : Please don't be personal.

THE HONOURABLE MR. P. N. SAPRU : I am not at all personal. I am only commenting on facts which are generally known—

THE HONOURABLE THE PRESIDENT : The Honourable the Leader of the House has pointed out that these remarks would be more opportune at another time and not on the general discussion of the Budget. That is all what he said.

THE HONOURABLE MR. P. N. SAPRU : Our internal administration is weak. If rioting and looting were to break out as a result of air bombardments or of possible landings by Japanese troops, there will be neither security of life nor of property in this country. There are more armed dacoits and robbers than air raid precaution men in this country. The machinery of Government is therefore inadequate to deal with the enormity of the problem that confronts us. Departments are, as the Honourable Mr. Parker has now realised, being run on the old bureaucratic red tape lines and they cannot cope with the volume and character of work which this war necessitates. When I looked into this Budget I wanted to find out whether it has occurred to this Government to establish at the centre a Department of Home Security

[Mr. P. N. Sapru.]

and I found that there was no provision for any Department of Home Security. The urgent need is to arm people with rifles, with small guns. The urgent need is to develop the will to fight among the people, the will to resist the aggressor, and for this reason, arming of the people, as pointed out by Lord Strabolgi in the debate in the House of Lords, is very necessary.

THE HONOURABLE THE PRESIDENT : It is true, but the Honourable Mr. Parker said this morning that we have not armaments enough to arm the soldiers and much less to arm the people at this juncture, if I understood him correctly.

THE HONOURABLE MR. R. H. PARKER : Yes, Sir, that was my point.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is a remark he might well have made at the secret session.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : I agree.

THE HONOURABLE MR. P. N. SAPRU : I think it is not too late even today. We can, if we have the will, get the necessary plant for expanding our factory production from the United States or the United Kingdom or Australia, if communication between Australia and India is possible. Given the will, we can do these things. But we regret to say that there is no will to do these things on the part of the Indian Government. Sir, I have no doubt that new factories have been established and existing ones expanded, but our industrial effort is not commensurate with the requirements of the war situation. The war industries and the subsidiary industries should be expanded by getting plant from the United States and I venture to think that it is not too late to do this. In particular I would mention the automobile industry and the ship-building industry.

Now I shall pass on to the question of agricultural production in this country. For internal peace, adequacy of food supply and full employment of the masses are necessary. How can you keep the masses at peace when they have not got adequate food, when prices are rising and their purchasing power is not in proportion to the rise in prices? In many places there are complaints of lack of grain. In my own town of Allahabad there is a shortage of grain. In Delhi there is shortage of wheat flour. Agricultural production may not have actually fallen but we have been exporting our agricultural products to many theatres of war in the Middle East. Therefore there would seem to be need for expanding our agricultural production. The question is how can our agricultural production be improved and increased in volume? I read with interest the other day the recommendations of the Council of Agricultural Research in this connection and I would like Government to take into early consideration those recommendations and do something to improve agricultural production. We cannot increase it by orthodox methods; we must have a direct frontal attack on the problem and we must specially make the agriculturist grow food crops, rice, wheat and other foodgrains. Sir, canal rates in the provinces are too high; they should be reduced and every effort should be made by the Central Government to see that they are reduced. Then the agriculturist should be supplied with seed at cheap rates. I would even go to the extent of suggesting as an experimental measure the grant to him of free seed. He must be provided with manure; he must be told

what to produce and there should be effective propaganda in regard to agricultural production. There is need at the Centre for a propaganda officer for the Agricultural Department. His duty would be to keep in touch with the provinces and see that agricultural production is speeded up by Government aiding the agriculturist in every possible way. There must be definite and distinct planning of agricultural production, so that in the event of emergency we might be able to maintain internal peace in this country by having sufficient food in it. You have to guard against the danger of food riots. The present position is that you have idle men in this country, and idle land and, in many cases, idle flow of water. I should therefore like all these idle men and lands utilised in the national interest by planned effort.

I now come to the taxation part of the proposals. In the Budget there is a partial scheme for national savings. It is an imitation of the British plan which was advocated by Mr. Keynes. So far as this scheme is concerned I would like to say that the man on an income of Rs. 1,000 a year in this country is in a very difficult position. He has to live in a period of rising prices and he has many responsibilities which English people do not often appreciate. He has often to think of his daughter's wedding or his son's wedding, or he has to think of the funeral of his father or mother. These are expenses which it is not possible for Indians to reduce. Therefore I say that this scheme is likely to work hardship upon the small man with an income of Rs. 1,000 or Rs. 1,200, and I agree with the view of Dr. Kunzru that the limit should be raised to Rs. 1,200. It is optional for him to go in for the savings scheme and one year after the end of the war he will have his savings back. But it is impossible for him in all cases to reduce his monthly budget, and therefore as a measure of relief I would advocate the raising of the limit to Rs. 1,200.

Then I come to another part of the Honourable Member's budgetary proposals. I have not been able to understand why the excess profits tax system has not been completely overhauled. Profiteering is rampant both in the wholesale and in the retail trade, and the fear is that Government, having attacked the problem at the wholesale stage, the retail trader goes free. Sir, excess profits in their present form attack only the larger corporations and people with an excess of their standard income of Rs. 36,000. Why should there be this excessive limit of Rs. 36,000? What is the theoretical or moral justification for such an excessive limit? Taxation should touch those who are able to bear it and those who are most able to bear it are obviously those who are profiting by this war, profiting by the sacrifices which hundreds or thousands of young men are making in the battlefields of Libya, of Burma and other theatres of war. Therefore I think that, instead of going in for indirect taxation like an increase in the duty on kerosene oil, the Honourable the Finance Member would do better by attacking the excess profiteers, and I would suggest that he should seriously consider the question of reducing the exemption limit from Rs. 36,000 to some more reasonable figure, Rs. 15,000 or Rs. 20,000. If you do not provide some relief for the masses then you mulct them twice;

you mulct them inasmuch as you make them pay higher taxes by increasing indirect taxation and you mulct them by making them pay higher prices for their goods. I venture to think that the revenue can be very largely increased if the limit is lowered, because the largest number of people making excess profits are in the range between 15,000 or 20,000 and 36,000. The Honourable Sir Jeremy Raisman will be able to give us figures as regards the number of people in this range.

Then, Sir, I find myself also opposed to the proposals regarding the raising of rates for Posts and Telegraphs. The net profits in the current year from the

[Mr. P. N. Sapru.]

Posts and Telegraphs Department is expected to be in the neighbourhood of Rs. 318 lakhs. Why should there be an increase when your Department is yielding you profits on envelopes and telegrams? The increase on postage is about 20 per cent. I think the present rate is 5 pice; the contemplated rate is 6 pice. Telegraph rates are also going to be increased. The increase in the revenue in the Budget is to be only, according to the estimate supplied to us, about 10 per cent. That means that by increasing the rate by 20 per cent. you expect diminishing returns. Being a public utility service, it strikes me that the Posts and Telegraphs Department should not be utilised as a tax-gathering agency. I find, Sir, that the aerographs rate has been reduced from 14 annas to 8 annas. Why has there been this reduction? You have increased the rate on postal letters, and not only big but small commercial firms will be hit hard by the increase. It may be said that so far as the postcard is concerned, there has been no increase. But I think, Sir, that is not an adequate answer. The postcard can be read by anyone and many people do not like to write intimate details about their business or family affairs in postcards. They rather like to use the postal letter. Therefore I think that by choosing the envelope you are making it harder for poorer folk to communicate with each other and in times of difficulty it is necessary that you must have a proper system of communications, because you must guard yourself against panic.

THE HONOURABLE MR. R. H. PARKER: Aren't the secrets that you must hide so carefully worth an anna each?

THE HONOURABLE MR. P. N. SAPRU: The Honourable Mr. Parker looks at the question from his point of view. He is a wealthy man—

THE HONOURABLE MR. R. H. PARKER: Not at all.

THE HONOURABLE MR. P. N. SAPRU—and I do not envy his wealth at all. I wish him the joy of it. But he forgets that the vast millions in this country have not got even enough to have a square meal a day and they occasionally have the pleasure of writing a letter. You want to deprive them of that pleasure. It is a pleasure which you might not deny to them even in war time when other sources of income are available to you. Therefore, Sir, I find myself opposed to two particular kinds of taxation which have been suggested by the Honourable the Finance Member. I find myself opposed to the tax on kerosene oil and I find myself opposed to the increase in the postal and telegraph rates.

Sir, I wanted to point out that the working class cost of living index number of prices for certain centres is given in the Explanatory Memorandum at page 31 and in October the various figures for various places were:—

Bombay 125, Madras 115, Cawnpore 134, Lahore 160.

In December the base figure was 121 in Madras. Now, Sir, I do not know what the wage level is, but I should like to know whether wages in these places have kept pace with the prices. Perhaps the Honourable the Finance Member will be able to enlighten us on that point. My impression is that wages have not in these places kept pace with prices. It is important from every point of view that you should have the fullest co-operation of the working classes in this struggle and you must keep them contented and you cannot

keep them contented unless you adopt some system of increasing their purchasing power. It is not enough to say that purchasing power has been increased or that there is an increase in purchasing power. It is not by reducing the volume of goods in circulation that you can tackle this problem. It is by increasing production and thereby increasing the purchasing power of the people that you can best attack the problem.

Sir, the great need, therefore, at the moment is that we must have increased production and we must have planned production. Increased and planned production only a National Government deriving authority from the people can give to this country and it is a National Government that can supply spiritual leadership to a community which is fighting for ideals of freedom and democracy.

Sir, I do not wish to dilate on other parts of the Budget; they will no doubt be commented upon with greater ability by the Honourable Mr. Hossain Imam, who is an authority on finance and have been dwelt upon by Dr. Kunzru, and therefore, Sir, I would like to wind up by emphasising once again that the political aspect of the problem cannot be separated from the financial aspect, that howsoever we may deeply sympathize with the democratic cause, we cannot give the best that is in us to that democratic cause unless Government helps us by satisfying the aspirations of the people for freedom and industrialization. Sir, these are all the remarks that I have to offer on the Budget. (Applause.)

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Sir, I thank you for giving me this opportunity of expressing my feelings on one or two points. Firstly, I should like to say that it has been a great privilege and pleasure for me to have listened to this general discussion. The tone of the debate has been so high that my heart is full of admiration for all of those who have spoken. One would expect that a Finance Member who mulcts the public of a few rupees they would show him fists and spare him no threats. It was a real pleasure to see that the elder statesmen here—even though my colleague on the right has run away with thousands of rupees from their pockets—sit still and smile stoically. I should like to express my thanks to them and my own pleasure at being in their midst.

Secondly, for the Honourable Members who may be speaking hereafter, I should like to make a suggestion, without in the least having any desire to curtail their debate. So far as the discussion of war effort is concerned, it is in the public interests that we should avoid that discussion when making comments on the Budget. There are many things for which we have excellent answers, but we feel that it is not in the public interest to give those answers here. I give you a simple example. A Member says a certain thing and we feel we ought to deny it knowing that the information is wrong and yet a mere denial of that fact can be of use to the enemy. If any remarks have fallen from Honourable Members connected with the war effort, and if there is no answer to those queries from these Benches, please don't take it that we have no answer, or that we do not wish to give any answer. We have answers but we think that the public interest demands that we should sit quietly and give no information which can be of use to the enemy. If Honourable Members have any suggestions to make about the means by which we can increase our war effort the Government will, I am sure, be very grateful to them if they will kindly pass on those suggestions to us. If they send them to me I will pass them on to the Department concerned. If they wish to come and see me on the subject I shall be delighted to give them whatever information it is possible

[Malik Sir Firoz Khan Noon.]

to give and my other colleagues will be only too pleased to see them too. In England they have set up a regular organisation for receiving suggestions about the war. I shall pass on any brilliant ideas about how we can win the war quickly to the proper quarters and I am sure the Ministry of Information will be very interested.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : On a point of information, Sir. Does the Honourable Member say that we should not criticize the actions of Government in regard to defence matters? Is that the practice even in England where there is a department to receive suggestions from the Members of Parliament? Are not Government criticized in regard to their actions regarding the war publicly by Members of Parliament and other people and not merely for their general policy but also for the conduct of specific campaigns and for dealing with matters which must be of the highest national concern at the present time? I hope my Honourable friend will agree that on these matters, which are of the most vital concern to us, we should be able to express our opinion.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : I never said that. What I said was that if any particular question is not answered please don't take it that there is no answer for it; we think that it is not in the public interest to give you in public the information you need. If any Honourable Member wants any particular information which we can possibly give we will give it to him in private.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : In the special circumstances of today with the enemy knocking at our door, it is a pity that we should be sitting here quietly discussing the Budget as if nothing new had happened. The difficult situation through which we are passing requires that both sides of the House—the Treasury Benches in their Maginot Line and we snipers on our trees—should consider it from the viewpoint as to how this Budget affects the war effort. Had it been possible, Sir, for us to make informed criticism we would have done that; but placed as we are without any responsibility on the shoulders of the sons of the soil for the defence of their homeland, with the trusted representatives of the people denied even information of what is being done, what can you expect but a throwback, a reversion to the old days, old methods and old ideas. I for one do not like Rs. 133 crores on defence and armaments to be spent. I do not say, Sir, that you are extravagant but I do believe that there is ample ground for us to contend that money could be utilized better and in different ways. There is room for honest difference of opinion on the methods by which we should arm ourselves, methods by which we should equip ourselves and in other respects, but we are in a helpless position.

THE HONOURABLE THE PRESIDENT : Why in a helpless position? Nobody has questioned your right to argue in the way you suggest.

THE HONOURABLE MR. HOSSAIN IMAM : Mr. President, once upon a time the Defence estimates used to cover about 200 pages and this time we have been presented with a bare eight pages. They do not even mention the necessary facts how much is spent on salary and how much on equipment. We do not want details; we do not know even, Sir, how much is being contributed by His Majesty's Government and how much is being thrown on our shoulders.

We have the bare statement from the Honourable the Finance Member in paragraph 25 of his speech that His Majesty's Government is contributing about three-quarters of our expenses, but the words which he uses are very wide and not precise. He says :—

"The estimated amount of India's Defence expenditure is only a fraction (*approximately one-fourth*) of the gross Defence expenditure likely to be brought to account in India's books during 1942-43".

This is a prophecy. We have so far no basis for it. But I shall show as I develop my argument, that in actuality we have received from His Majesty's Government very little, if anything, in the 27 months that we have carried on this war and my authority will be the Finance Member and the Honourable Mr. Jones. This is a subject on which no information can be had except from these two sources. It is impossible for us to deal with a subject which is nearest to our heart and therefore we must content ourselves with our old methods.

Sir, last year we had occasion to congratulate the Honourable the Finance Member on having repaid our terminable sterling obligations. This year he has gone a step further and the non-terminable obligations are also being repaid. We are thankful to him for that and Members on this side of the House had better follow the English proverb of not looking the gift horse in the face. Too much criticism of the methods adopted, prices paid and other things ought not to dim the issue. We have been saved from a drain which was a big item in India's disbursements in England. We are thankful to the Finance Member for what he has done, but we expect him to do a little more. The Honourable Mr. Kunzru has pointed out two lines in which he could carry on his good deed further and I should like to suggest one which involves only a book transaction. It will not mean any saving but it will clear your accounts. I refer to the item of deferred war contribution of the old war. This is an item which since 1935 has carried no interest. It is an item which has, to all intents and purposes, not very much troubled him or his predecessors and I hope it will not trouble even his successor. But why retain it? Why not ask His Majesty's Government to validate the action which has been in operation without legal sanction? To all intents and purposes you have written off that debt, but you still have it in your books. It is useless to carry it on.

Then, Sir, I have heard in this House as well as in the other place blame being thrown on His Majesty's Opposition for having always criticised the military budget and by implication it is said that our unpreparedness is due to the niggardly policy of the Opposition—the Congress, the League and the other Parties—who were always critical of the Defence expenditure. I think it is too much to say that on a subject which is not subject to vote, our opinion counted for so much that it did not increase your defence equipment. Defence is not a votable item. When even in votable demands you can and have restored what about non-votable items? Have you ever been actuated by the desire to accept our dictum? It was your own purse string which dictated the terms and not any desire to please us. Even in England you believed in disarmament, Churchill was called a war-monger and he was excluded from the Cabinet. The perpetrators of the Munich Pact—it was the greatest betrayal by any nation of its pledged word—were in power, and you thought that everybody else was as unprepared as you were. You believed in the dictators' words. That was the reason why India was so unprepared as you found. Our opposition was not so much to the quantum of the defence expenditure as to the item of defence expenditure. The Garron Tribunal's Report to which the two representatives of India who were appointed by the Government, appended notes of dissent is ample proof that the opposition was to the composition of the

[Mr. Hossain Imam.]

Army in India. We only said that the cost of the British personnel in the army, which is four times that of Indian personnel, should not be thrown on the Indian Exchequer. We only wanted that His Majesty's Government should contribute to its cost. To say that our opposition was responsible for a reduced Defence Budget is really stretching the thing too far.

Now, Sir, coming to the details of the Budget, as I said in the beginning I do not find it possible for me to scrutinise all the items in detail, as I used to do, because the over-riding consideration of war is there. But I should like to point out that in 1938-39 the last pre-war year the total net disbursements of the Government of India were Rs. 79.13 crores and for the next year you budget for a gross expenditure of Rs. 187 crores. The defence expenditure differences of the peace and war-time budgets which ought to be kept in view. We do not grudge the provision of this huge amount. We are prepared even to increase it if need be; but give us a voice in its management, and that voice should not be given to the so-called National Government, but to a National Government which really commands the public confidence. It is not the personal eminence of the man which counts. It is the following which he has in the country which should be the deciding factor whether the Government is a National Government or not. You had Mr. Chamberlain's Government to start with, but why was it dismissed and a new Government formed? Because you knew that the public was not behind him. But here, if the Honourable Members of the Treasury Benches will excuse me for saying so, there is no one to find out who is the fit person to be entrusted with the Government of the country. The Honourable Mr. Sapru wanted that the National Government should be able to get that support from the public and should have that power behind it which will enable it to embark on venturesome schemes. That you can only have if you have the right type of representative people in the Cabinet. I would like to follow the advice of the Leader of the House and not go into the military details, so I suggest to the Honourable the Finance Secretary that item No. 73 of his financial statement might now be dropped, due to our helplessness.

Sir, I would like to suggest a war effort in which we can openly co-operate and ask the Government for their help and that is in regard to the self-sufficiency of India in the matter of foodgrains. India with its huge production of foodgrains and other supplies is singularly deficient in rice. We were importing rice to the tune of about Rs. 10 crores every year from Burma. Now with the conditions prevailing in Burma, may I suggest that it would be a real war effort to increase the rice production of India. It will free a great deal of shipping space which you can utilise for other purposes. And it will be easy enough. You have the machinery there and the only thing wanted is money. If the Government would to start with contribute even the rice export duty which they realise to the Imperial Council of Agricultural Research, we might do much. Then they have got the difference between the price of linseed paid by His Majesty's Government, which is an asset in the Commerce Department. Part of that could also be transferred to the Council without causing any drain on your resources. This will be a book transfer only and it will enable India to produce more foodgrains. It will be a real war effort and you should not grudge a little money for that.

Now, Sir, one item in the Budget which has been the subject of debate in both the Houses and which has been attacked, as well as supported, is that to which the Honourable the Finance Member referred in paragraph 42 of his

speech, that is, increased purchasing power and its effect on prices. That is an item on which much can be said and on which there is ground for honest difference of opinion. I think I am correct in saying that it consists of three distinct divisions. First, is there any increase in the purchasing power of the public? Secondly, has it an inflationary effect on prices? Thirdly, if so, how to check it and are the methods you have adopted enough to check it, or is there any need to check it? These are the queries which arise on this subject. I for one cannot deny that the huge disbursement of the Government has contributed to an increased purchasing power in the hands of the public. That is a self-evident truth and it cannot be rebutted. But coming to the second point, whether it has an inflationary effect or not, one has to see three things—whether the price prevailing at the time which you took as the base was an economic price or whether it was a low price due to world causes of depression. Secondly, we have to see what deflationary effort you have already made; and thirdly, we have to find out whether the increase which we find now is such that it should be checked or whether it is a desirable increase in prices. Government have taken three steps to counteract the inflationary effects. Firstly, there are these defence loans. Thereby you take away the money from the public and reduce their purchasing power. You have collected more than Rs. 100 crores from this source. Then there are your open market operations of the Reserve Bank, by means of which you have placed your rupee counterparts of the sterling loans on the market. That too had a deflationary effect. Then, Sir, I hesitate to mention it, there is the Viceroy's War Purposes Fund and other funds of the same nature, which also contribute to restrict the purchasing power of the public. And lastly, is your own action of purchasing sterling in the open market, which also has no deflationary effect. Now with all these contributory factors we have to see whether the increase in prices is such that it requires to be checked. Those who have had some experience of index numbers cannot very easily place their reliance on any particular index number without knowing the weightages which are given for particular items in that index. Now we do not have an ordinary index number by just adding up three items and taking their mean. That is not done. You do a sort of equation with those items, allotting 10 marks to this, 25 to another, and so on. We do not know the basis on which this index has been prepared in Statement No. 1 on page 29. But even supposing that it is a very correct index and due weight has been given to all the contributory factors, even then the fact that in primary commodities the rise up to December was only 37 per cent. in 27 months of war does not show that there has been an undue rise in prices. Especially when we consider that manufactured articles have gone up by 53 per cent. That also shows who is the main person who is responsible for rising prices. The main responsibility rests on the Supply Department and other purchasing organisations of the Government of India. They are increasing the prices, and that is further borne out by the fact that the Cawnpore index number of cost of living has gone much higher than the Bombay and Madras figures. The two ports are not dependent on Government orders alone, their main income is derived from supplies to the public and only a small part from the Government. Therefore the cost of living in these two centres has advanced from 105 to 129, a rise of 24 per cent. in Bombay and from 98 to 121 in Madras; whereas in the case of Cawnpore the price has gone up from 100 to 151 and in the case of Lahore from 120 to 160. That shows who is the culprit, who is increasing prices. It is the Government itself in the Supply Department and other purchase organisations which by paying high prices and thereby cause rise in prices which Government want to curtail and check by devious means of national savings movement. A part of the rise is due to natural causes; there are some things which have to be brought from outside. The price of those things have gone up. You cannot expect the same price to prevail when soda was sold at 1 pice

[Mr. Hossain Imam.]

and at the price which we are now paying for it. Some of the rise in prices is due to those causes. Some are due to other difficulties—increased freight on coal, increased price for petrol, increased haulage; those factors also contribute to increase in prices. You cannot say that the whole thing is dependent on inflationary rise in prices. I would like to remind the House of the vast difference between conditions in India and in England. In England everything consumed means a drain on the shipping space. Raw materials, foodstuffs, bulk of everything has to be brought from outside. There the necessity for restricting consumption of goods is great. Whereas in India you will find that a very small percentage of your consumption goods is brought from outside because of restriction you have placed on the import of foreign goods. You have got trading license and so on. All these factors contribute to belittle the importance of reducing consumption in India from the great part they play in England. In England you are called upon to reduce all kinds of consumption. You can here at the best ask them to reduce the consumption of such articles only which are imported and indirectly being purchased by the Government, or are not sufficiently produced. Take the instance of cotton. We have a glut of it. If the Government buys and the public too buys, it does not make any difference, as you cannot consume the whole of it. We are still left with a part of the cotton crop. Look at sugar. *The rise in prices is not due to more buyers being present, but because of the defect of your price control organisation.* Your price control organisation simply does not function. Its advisers are the people who are interested in high prices and you are content as you are usually in your self-complacency, content with asking the advice of those who are benefited by high prices. People who are not interested in high prices are thought to have no knowledge of the affair and they are not consulted. They are just shut out. This is the red-tapism of the Government of India. This is responsible for high prices. Look at paper. You have imposed a price control. It is being evaded every day. You go to the market and the trader says he has not got any paper. If you are prepared to pay a higher price, he will manage to get it for you. These are the ways in which these provisions are evaded. Now for the purpose of bringing down prices you are not dependent on *laissez faire* and the price that the producer may demand. With price control technique as developed in other countries you can dictate. You are afraid of using your power and that is responsible for high price if it is a high price, and it cannot be cured by recourse to the National Savings Movement.

Coming next to the basic question whether there should be a national savings movement or not. I do not say that there is the necessity which England has, but a national savings movement is one which should be supported by us on its merits, and it is a movement which should not be opposed by anybody who has the interests of the country at heart; because whether it is necessary or not a national savings movement will not harm anybody, neither the Government nor the man who contributes to it. It is pointless to say that it is a movement which should not be started. Coming to the items which you have suggested, my only objection is that they do not go far enough and I should like to endorse the remarks of my Honourable friend Mr. Sapru that the excess profit exemption limit should also be lowered and Rs. 36,000 is too much. I should like to remind the Honourable Mr. Sapru that it was not the action of the Finance Member himself. He was forced to increase it to this limit and against his better judgment.

THE HONOURABLE MR. P. N. SAPRU: I know that.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask, Sir, on one subject for specific action? This national savings movement to be really effective must fall on the shoulders of those who are really benefited from it and the suggestion made by the Honourable Mr. Parker that people who are employed in the Departments connected with Supply should also have part of their emoluments paid in defence certificates is a good one. I would go further and suggest that in the case of contracts 10 to 15 per cent. of the price should be paid in the form of defence certificates in all the Supply Department contracts of Rs. 1,000 and over. You will be able to net from 20 to 30 crores of rupees if you adopt this measure.

THE HONOURABLE SIR SHANTIDAS ASKURAN: Is there so much profit in this country?

THE HONOURABLE MR. HOSSAIN IMAM: Ten per cent. is a small percentage of the profits which they are making in the Supply Department.

THE HONOURABLE MR. R. H. PARKER: A very large one as compared with a lot of factories I have known.

THE HONOURABLE MR. HOSSAIN IMAM: If it is not possible to draw even 10 per cent. there would be no Excess Profits Tax and no super-tax. Excess Profits Tax pre-supposes there must be excess of profit over what you were making before the war.

THE HONOURABLE MR. R. H. PARKER: I am doing so much then?

THE HONOURABLE MR. HOSSAIN IMAM: By this national savings movement, you are not making a contribution to the Government. You are simply deferring your purchasing power for future use. You get it back with interest. It is a compulsory savings movement.

I was rather surprised that when we have such a glut of sterling the Reserve Bank should purchase sterling in the open market. The Secretary of State, according to the Finance Member, had Rs. 69 crores of excess this year and Rs. 219 crores are expected to be the excess with the Secretary of State next year. Still the Reserve Bank is in the market and not for small amounts. The Reserve Bank have been operating in the market fairly extensively and getting big slices of sterling from the market.

THE HONOURABLE SIR JEREMY RAISMAN (Finance Member): I hope the Honourable Member has not forgotten that one of the fundamental features of the system is that the Reserve Bank is under an obligation to accept sterling and give rupees.

THE HONOURABLE MR. HOSSAIN IMAM: That obligation, Sir, is one which you can suitably amend. The present figure is at a depreciated rate. You are not having your transaction at 1s. 6d.; the figure you have adopted is 1s. 5-15/16d. which does not show that we have a very strong sterling market.

I was referring, Sir, to page 41 of the Explanatory Memorandum where it is stated that the Reserve Bank purchased something like Rs. 230 crores. This huge amount for the Reserve Bank to purchase has the resultant effect of increasing the interest rate which we have to pay on our borrowings. If the money were to remain in India instead of in sterling interest rate would be lower.

[Mr. Hossain Imam.]

Now, Sir, that I am concluding, I should like to deal with Income-tax. I do not find Dr. Kunzru here—but I think I would be doing an injustice to the Honourable the Finance Member if I did not state that the taxation which he has imposed on the small incomes below Rs. 2,000 is really not taxation at all. It is really asking the people who can ill-afford to be spendthrift to save something for the rainy day. If you would look at paragraph 43 of his speech it will show that if a man has got a pay of Rs. 145 a month and he deposits the magnificent sum of Rs. 40 a year he will not be taxed. Do you believe that even in India we are so hard pressed that a man earning Rs. 145 a month cannot pay by Rs. 3-8-0 a month? It is absurd. I was led to think that he has been tender on the higher paid people, but one of my colleagues who is unfortunate enough to pay lakhs and lakhs in income-tax will bear me out that the Honourable the Finance Member has been harsh enough on him. For instance, I should like to quote one figure only, not the figure of a man paying about 80 per cent. I am now referring to the Honourable the Finance Member's own deductions. He will be paying something like Rs. 200 a month, or over Rs. 2,000 a year more than what he was paying without his present Budget. As it is he is already subject to an income-tax of about Rs. 15,000 and now he will be subject to Rs. 18,000.

THE HONOURABLE SIR JEREMY RAISMAN: I must correct the Honourable Member. I am already subject to a higher figure than the last figure named and I shall be subject to a much higher figure still.

THE HONOURABLE MR. HOSSAIN IMAM: That was due to the fact that for a part of the year you were taxed at Rs. 80,000 the old rate of salary but what will be the basic rate of salary next year?

Now, Sir, what is His Majesty's Government's contribution towards the Defence expenditure in India? My authority, Sir, for stating that it is very small is the Honourable the Finance Member himself, who at page 41 of the Explanatory Memorandum states that sterling payments by His Majesty's Government up to January, 1942 amounted to Rs. 196 crores. If you deduct from it the amount which we have received as payment for supply of goods, particularly by the Supply Department and other Departments, we will come to the conclusion that less than Rs. 45 crores had been contributed by His Majesty's Government in two and a quarter years for our war expenses proper although the Honourable the Finance Member in a prophetic vein says in the beginning of his speech, in paragraph 25 I think, that approximately one-fourth of the Defence expenditure is charged to the Indian revenues, but that is a prophecy. I go to the actuals, and although the Honourable Member has—

THE HONOURABLE SIR JEREMY RAISMAN: May I point out to the Honourable Member that these prophecies are based on the rate of expenditure already occurring from day to day. It will not get less.

THE HONOURABLE MR. HOSSAIN IMAM: I shall wait for his figures next year and see page 41 of the next year's Budget Speech to know how much he has received, and no one will be more pleased than I, if I find that he has collected from His Majesty's Government more than I thought he was collecting.

There was an unfortunate mention by my two Honourable colleagues about the arms being manufactured in India, and on that subject I should like just to state that this information does not seem to me to be very correct. We had so much surplus that we were giving to other people; but the policy of the Government of India is one on which we cannot agree. The licences which are granted to the people are being curtailed and instead of granting more licences to those who could be relied upon to make intelligent use of their guns the policy in the countryside of the Governors—who are ultimately responsible to the Viceroy in the absence of a popular Ministry due to the functioning of section 93 this ultimate responsibility comes down indirectly to the Government of India—the policy of restricting licences is not one which should be commended. Sir, I find that the Budget on the whole in the condition in which we are, although it does not reveal anything to us, although it does not give us any information of what is being done is not so bad as it has been painted, and neither is it so rosy as some people are inclined to think.

THE HONOURABLE SIR JEREMY RAISMAN (Finance Member): I agree with the Honourable Member who has just spoken in what he said at the beginning of his speech that there is something incongruous in sitting and debating on the details of the Budget at a time such as this. To me particularly that thought occurs since I have the task of listening to speeches both in another place and here and of trying to evolve the answers to various types of arguments some of which are entirely opposed to others. There are some who criticise the Budget because it is harsh; some think that it has let the taxpayer off too lightly. Some feel that taxation on the poorer classes is excessive; others who dare not say the opposite complain that taxes which might have been employed have not been employed, and that type of criticism usually proceeds from the individual who means that we should have increased taxes like the salt tax or other taxes which fall on the poor. These, although they are inclined to question the courage of the Finance Member in not imposing such taxes, themselves usually have not got the courage to mention them by name. But, on the whole, Sir, I am glad to be able to say that both here and in another place the general tone of comment on the Budget has been restrained,

that Members have recognised the difficulties of the situation with which we are faced and the fact that it is a problem as much for the people as for the Government of this country. I do not wish to traverse the observations of Honourable Members who talked about a National Government and the change which could be wrought by political transformation. I am concerned with the steps which any kind of Government could take if it found itself in a position such as this, and with due respect to the Honourable Mr. Sapru, I would remind him that a National Government of the kind which he contemplates may often be more tender in regard to certain classes of the community than a Government which has not been returned by the votes of any particular party or class and which deals with its problems from a purely objective point of view and with regard to what it feels to be its duty. However, that is merely by the way. As I say, it is not my business to enter on the political argument. But I was surprised to find that the Honourable Mr. Sapru himself, like the Honourable Dr. Kunzru, having said that a National Government might call for heavier sacrifices, then proceeded to question the wisdom or fairness of carrying our taxation, or taxation *cum* savings proposals as low as to incomes of Rs. 1,000 a year. I should have thought that on his line of argument, the sacrifice in a country such as India might well be carried to that level or even lower, because it cannot be argued that in this country persons with an income of between Rs. 1,000 and Rs. 1,200 a year belong to the poorest classes. I admit that they belong to a class which is faced with difficulties, and if they are salaried persons, then they are subject

[Sir Jeremy Raisman.]

especially to the difficulties which all recipients of fixed incomes must suffer in times when prices are moving sharply upwards. Nevertheless, the actual amount which persons in that class are required to set aside is something less than a rupee a month. It is only about 12 annas, as far as I remember, or something of that order, and even as a symbol and as the beginning of a salutary process I consider that it has great value. But, of course, it is clear that to any point to which a scheme of this kind will be carried, there will be room for argument that at the bottom end of the scale there were persons whose resources were too limited to be made the subject either of taxation or of a savings scheme such as this. My Honourable friend Mr. Hossain Imam, I think, gave the right answer to that argument.

The last speaker entered on a fairly detailed examination of the economic problem, of the rise in prices, higher purchasing power and so on. This problem is so complex and there are so many factors that it is exceedingly difficult to present the relative operative elements in it. It is hardly possible to say that the rise in prices came first and then the extra purchasing power, or *vice versa* that there was too much money and therefore prices began to rise, or again, there is a third line, a much more probable course in time of war, that the quantity of goods to be purchased began to get less whereas the amount of money remained the same or became greater and therefore prices rose. All these explanations are possible. But where I join issue with the Honourable Mr. Hossain Imam is when he somewhat dramatically discovers the main culprit in all this business. It is, he finds, the Government itself. Well, Sir, I make no attempt to disguise that it is the operations of Government in war time which tend both to increase the purchasing power of the people and to reduce the volume of goods for private consumption and therefore tend to cause the rise in prices. How otherwise could they get on with the war? It is the business of the Government to raise, feed, house and equip a large army—an army of over a million men. The Honourable Mr. Sapru said it should be much larger, and if it were—and I have no doubt that it will be much larger—then the argument applies with even greater force. The Government is bound to step into the market and obtain services and goods. The Government is, therefore, says Mr. Hossain Imam, the main culprit. Of course the Government could refrain from being the main culprit by taking no action whatever to get on with the war. But is that what my Honourable friend desires? The situation surely is this. To the extent that the Government is bound to call upon the available supplies of goods and services, to that extent at least private consumption of goods and services must be reduced, and that is where the difficulty comes in and that is where the possibility of inflation arises, because, the suppliers of goods and services have to be paid, and Government often has no time when it has to get on with the war to argue with the suppliers. It must be able to call forth ready and willing supplies of the goods and services it requires. So it has to pay for them and so more money goes out. But the goods and services have been withdrawn and there are less available for private consumption. Unfortunately the private consumer still has to go into the market; he wants to maintain his old standards of consumption, and if he is earning more money he wants to improve his standard, and that is where the difficulty arises. It is not possible to bring home these facts to every man in the community. If it were possible, it might be feasible for some kind of self-denying frame of mind to grow up and for people to realise that the best thing they could do is consciously to adjust their standards, their claims for consumable goods and to save the money for a more suitable time.

The Honourable Mr. Sapru said that certain parts of my Budget were an imitation of Mr. Keynes' ideas. Well, Sir, Mr. Keynes first popularised these ideas in England, but the elements in this type of problem have been familiar features of any war time economy. At any time since man began to think about these things, even in the days of ancient Greece, they realised, in a beleaguered town for instance, that when supplies go short the money which it has for the fewer and fewer goods available will be more and more excessive and that until the town can be relieved the best thing to do with the money is to put it away for the time being. These are familiar and simple aspects of a fundamental economic problem which arises in every war. But Mr. Keynes brought them to the forefront in England. Ideas of this kind have been familiar and have been applied in countries like Germany even before the outbreak of war and certainly during the war. They are manifestly the only way in which a community can adjust itself to a war time situation.

Now several Members have touched on the question of one important way in which some relief may be obtained and that is by the increase in the production of food. The increase in the growth of food crops. Well, Sir, that is a point of view with which the Government entirely agree. It is a matter to which they are devoting active consideration. I am glad to say that my Honourable colleague in the Department of Education, Health and Lands has already under contemplation and is formulating active steps to stimulate the production of food crops. The problem of a food and fodder production drive, both to increase the total supply of food and fodder in India and to attain some degree of regional self-sufficiency in case of a partial or local breakdown of the transport system is being very actively pursued by the Government of India. But of course we have to get the provinces to assist. The provinces are peculiarly in touch with these matters and are in a special position to deal with this kind of problem, and it is impossible for the Centre sitting here to implement a policy like that by its own unaided resources. I do not mean monetary resources; I mean its resources of administration and advice. Therefore the advice and assistance of the provinces are now being sought. I attach myself the greatest importance to action of this kind. I feel that in the matter of food it is imperative that everything that is possible should be done to increase the necessary supplies, so as to avoid the dangers to which the Honourable Mr. Sapru rightly drew attention.

Now several Members have harked back to the old question of why we were not prepared, why our defence preparations in the past were inadequate. But the Honourable Mr. Hossain Imam has executed a most subtle and subtle manoeuvre. He having been one of those who attacked the defence budget every year has managed to range himself on the side of the angels and has managed to find that it was still the fault of the people who wanted to increase defence expenditure and not of those who kept up a continuous pressure of the defence expenditure. Well, Sir, I most intense kind against any increase in defence expenditure. You really have got to get back to the am afraid he is a little too clever. The responsibility of the governments true responsibility in these matters. The responsibility of the governments in power in various countries is undoubtedly there. But the responsibility of those with any kind of influence who continually subjected the governments—and I am not talking of India only but all countries—to pressure, to hostile criticism, and who urged them along a continuous course of disarmament is at least equally great. In fact it is greater in so far as it was virtually impossible for any individual mind in any of the countries concerned to convert the great mass of the people to a realisation of the danger in which they stood, and in so far as the number of people in opposition, so to speak, and the number

[Sir Jeremy Raisman.]

of public critics was greater, I would say that the responsibility of the latter as a class is larger and the sin should weigh more heavily upon them than on the few men who were actually in power. However, that is a fruitless argument. It is useless to attempt to allot blame. But there is one particular form of blame which I think belongs especially to what I may call the Opposition. The great need it seems to me of the period immediately before the war was to experiment with new types of formations. The great need was to turn cavalry, for instance, into armoured formations, motor borne formations, tank formations, and so on. Now the first step in that change-over is a very expensive one, because the production of new types of armoured vehicles and so on is a very expensive matter. Well, in my opinion—that is my own personal opinion—it was the intensity of the pressure for retrenchment and the intensity of the resistance to expansion in defence expenditure which made the existing service departments so conservative and caused them in turn to resist the ideas of those comparatively few elements in the services who were forcing a policy of mechanisation and modernisation upon them; and in the case of India it was not until I think the end of the year 1938 when Lord Chatfield and his Committee came to India that the problem of modernisation was faced after all and even then it was only by a most drastic and what according to our present ideas would be an excessive reduction in the size of the total force that provision could be made for mechanising it, so that I am afraid that the responsibility of the Honourable Mr. Hossain Imam and his friends is very great indeed. It is not merely quantitative so to speak, it is qualitative.

THE HONOURABLE MR. HOSSAIN IMAM: Greater than yours?

THE HONOURABLE SIR JEREMY RAISMAN: Yes, greater than mine.

The Honourable Mr. Sapru disapproved of the increase in postal charges and he saw no justification for utilising a public utility as a tax-gathering agency. I join issue with him there on the question of principle. Why should it be claimed that in the few cases in which Government happens to be the owner of a commercial concern, at a time when every increase in income is necessary in order to enable it to get on with the main object of defence, Government alone should refrain entirely from pursuing the ordinary commercial course of increasing its charges when the traffic will obviously bear those charges? But Government is in an even stronger position at the present time because in the case of many of the services in the Posts and Telegraphs Department, the position is that the demand is already embarrassing in volume just as it is in the case of the railway services and therefore even if there were a certain diminishing return Government would not regard that result as entirely unsatisfactory. In the case of telephones, for instance, we have definitely reached a stage at which we wish to deter new customers because we cannot comply with all the demands that are being made upon us. It is at a time like this when Government can do with all the money which it can raise and when the amount of service which it can render is limited in relation to the demands with which it is faced that the Government is surely justified in increasing its charges. I do not say that the argument about supply and demand applies to the stamp on the envelope. That I am afraid must be regarded as a simple matter of increasing the charge in order to get more money from customers who I believe are able to pay it. It is surely a rather far-fetched argument to say that the poor villager who usually uses a postcard when he wants to send a

secret message or a confidential message will have to buy an envelope which will cost him three-quarters of an anna more than his postcard and therefore will suffer great hardship. It seems to me that that kind of criticism springs from a desire merely to find some conceivable ground on which to criticise. It is not one which carries any conviction at all and my own feeling when I hear arguments of that kind is that I must have chosen a very good step if that was all that could be said against it.

I understand that Dr. Kunzru raised a question about the way in which we were treating the articles which we received under the Lease-Lend arrangements from the United States of America. Inevitably the exact nature of the obligations which we undertake by accepting this assistance remains to be defined in the future. As I said in another place, the details have been left to the good sense of the future and in the light of the experience which was gained in the last war of the treatment of these international obligations we may hope that mankind have learnt a lesson and that they will not attempt the impossible. But meanwhile we are in no position to look a gift horse in the face as I think my friend Mr. Hossain Imam said. It is a new form of an old proverb. We are only too glad to accept the assistance which the great American Confederation is prepared to provide for countries which are fighting against aggression. But it is suggested that the treatment of these receipts might be different and that it would make a considerable difference possibly to the deficit with which we are faced if we took the value of Lease-Lend articles, if we took full credit to revenue for the value of the supplies. Well, the difficulty is in the first place that it depends on the ultimate use of those supplies who is to receive the credit. Supposing for instance that a hundred tanks arrive in India from America and suppose that a certain military unit is equipped, trained, in the use of them and ultimately goes overseas with the equipment. Well, in a case like that the ultimate charge for that unit would be on His Majesty's Government and therefore the credit would go to His Majesty's Government. We cannot therefore assume that the whole of what comes to India in the first place under Lease-Lend would be creditable to our accounts. In fact it is reasonable to assume that the proportion for which we would ultimately receive credit would be similar to the proportion of the total defence expenditure in India which the Government of India bears. In that case it would only be a fraction of the figure which I mentioned in my Budget Speech and it would certainly do nothing to relieve the taxpayer of the day. For I must remind the House that the task of budget-making, of framing the estimates, grows more and more difficult with every month that the war goes on. Even in the Finance Department we are not prophets. We can foresee and I would remind my Honourable friend Mr. Hossain Imam that we can prophesy that certain types of expenditure will not grow less while the war goes on and we know that the scale of expenditure by His Majesty's Government in India is already at a pitch which justifies the figures which we have included in the Budget. We know that that must go on but, as I say, we are not prophets and we cannot forecast the course of world events. We have to take a view and, what is more we have to take it sometime before the Budget is actually presented to the House and to the country. Now in taking such a view we naturally base our estimates on the existing state of affairs and it is clear that the tendency of Defence expenditure is to expand as the year proceeds and I cannot comfort myself with the thought that revenue will naturally expand correspondingly. Therefore the deficit as foreseen at the beginning of the year is not likely to be greater than the ultimate deficit which is brought to account. In these circumstances it is, I suggest, justifiable to treat a matter like the Lease-Lend receipts in the way in which we have treated them, because it is highly improbable that the ultimate

[Sir Jeremy Raisman.]

deficit would be less than that which we envisage now even if we were to give ourselves credit in this way.

The Honourable Sir Shantidas Askuran suggested that our accumulations of foreign exchange of sterling should be utilised for the purchase of gold. I take it he meant after we have carried out the repatriation of our external debt. Well, Sir, there are difficulties about that and they are intimately connected with the subject to which I have just referred. It must be remembered that the basis of the assistance afforded by America to the democracies, the basis of the Lease-Lend arrangements—one of the main reasons for them—is the inability at the present time of the democracies to pay America fully either in dollars or in exports or even in gold. If America could be fully paid in gold it would be unnecessary for her to embark on the heavy expenditure on Lease-Lend. It may be taken that the general position is in regard to all the countries of the sterling group—in regard also to Russia, in regard to China,—that all these countries are in the position in which if they could make payments to America they ought to do so. Now at a time like the present it is obviously inappropriate to suggest that such countries should embark on the opposite process which would be in effect to receive payments from America. In other words, America would be giving you tanks, guns and aeroplanes and would also be supplying you with gold. America does not require sterling and America does not require rupees, except to the extent to which she makes purchases in this country, but those purchases are already counterbalanced by the purchases which we make in America. In other words, we have not got a favourable balance of trade with America, and an even more important point is that the whole of the British Commonwealth of Nations has not got a favourable balance with America. On the contrary it has an unfavourable balance and it is because of that that the Lease-Lend arrangement is necessary in order to enable America to continue to supply to the British Commonwealth the defence articles—which I think is the technical term used in America—which they need in order to prosecute the war with the utmost efficiency, and that is why I cannot hold out—as I see the situation it is impossible to hold out—to my Honourable friend the hope that we might utilise our sterling accumulations during the war in order to acquire more gold. Actually, of course, the gold already existing in our central banking reserves is quite a large amount compared to that in most countries other than America. Although it is valued under the Reserve Bank Act at Rs. 44 crores it is already, even at the controlled price which applies in the United Kingdom, worth at least double that amount—Rs. 88 crores—and that is quite a respectable proportion of the cover which is provided to our note issue.

The Honourable Mr. Parker raised a point I think in connection with deposits and the refundable elements in the taxation of the lower scales of income. In the first place, I think, he suggested that in the case of incomes between Rs. 1,000 and Rs. 2,000 arrangements should be made for monthly deductions and he made another suggestion regarding the possibility of protecting these deposits against a legal charge.

As regards the first point—whether it was raised by Mr. Parker or not I cannot say—it is, of course, our intention that the small salaried man should be enabled to make his small monthly savings in the same way as salaried people now pay their tax monthly. As regards the protection of the deposits against legal charge, that is a matter on which I am unable to say anything

at the moment although I shall have it examined. In the case of Provident Funds, they are protected and that is the analogy which the Honourable Member has in mind, I think.

THE HONOURABLE MR. R. H. PARKER : There are parts of salaries also which cannot be charged, are there not ?

THE HONOURABLE SIR JEREMY RAISMAN : That is a matter which I shall have examined.

There is just one other detailed point which I might deal with before I sit down, and that is the criticism of the Honourable Mr. Sapru of the excess profits tax exemption limit of Rs. 36,000. The Honourable Mr. Hossain Imam rightly pointed out that in the first form of the Excess Profits Tax Bill which I brought before the Legislature, the exemption limit was a good deal lower. As far as I remember, it was either Rs. 20,000 or Rs. 25,000, and it was in response to pressure that I agreed to raise it to Rs. 36,000, which incidentally disposes of Mr. Hossain Imam's theory that the Government does not do anything in response to pressure.

THE HONOURABLE MR. HOSSAIN IMAM : It is a voted item, Sir.

THE HONOURABLE SIR JEREMY RAISMAN : In this case we did something very significant. One of the reasons why I was prepared to accede to this demand was that I was impressed with the formidable nature of the administrative burden which my Departments would have to take on with the introduction of this new tax, and it has indeed proved to be a matter requiring a good deal of labour. At the present moment the total number of *assessee*s to excess profits tax is probably only of the order of between 3,000 and 4,000. It may even be less than 3,000—those who actually are ultimately assessed to the tax. Even so, the labour involved in assessing this tax and the degree of skill required in order to bring all the accounting considerations to a focus and settle the assessment is extremely great and, as Honourable Members probably know, it is only comparatively recently that the work has been able to reach the tempo which is necessary in order to secure the revenue which we should derive from this very important tax. So we have hardly reached the stage at which we can take a step forward in regard to the excess profits tax which would bring a large number of additional *assessee*s under the operation of the tax. Nevertheless, I agree with my Honourable friend that there is great force in his contention and there is much to be said for extending the tax to a smaller scale of income. The arguments for the application of the tax to incomes below Rs. 36,000 are quite strong. In theory, in fact, there is nothing to differentiate the case of a small merchant from that of a large company. But, in practice, unfortunately, in this imperfect world we have to take account of a large number of administrative considerations and human details and we often have to give up in practice objects which in theory are highly desirable.

Well, Sir, I think I have traversed most of the points which I could recall to mind and I trust that I have dealt with matters on which Honourable Members wished to ascertain my views. I agree with my Honourable colleague, the Leader of the House, that the discussion has been interesting and, as usual, set on a high level, and has shown a full sense of the responsibility which is due to these problems at the present time.

The Council then adjourned till Eleven of the Clock on Friday, the 6th March, 1942.

COUNCIL OF STATE.

Friday, 6th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

AUTOMOBILE ASSEMBLY PLANT IN SIND.

95. THE HONOURABLE MR. V. V. KALIKAR* : (a) Is it a fact that Government have given permission to an American Company to start an automobile assembly plant in Sind ? If so, on what conditions ?

(b) Does the American Company propose to employ Indian technical personnel needed for it ? If not, why not ?

(c) Is the whole or part of the capital invested by the company Indian or American ?

(d) Did Government make inquiries from Indian companies about the feasibility of starting the plant run by Indian interests and Indian capital before granting permission to the American company ? If not, why not ?

THE HONOURABLE SIR ALAN LLOYD : (a) No.

(b), (c) and (d). Do not arise.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : It was stated in a recent communiqué that an American company had been allowed to set up an assembly plant in Sind.

THE HONOURABLE SIR ALAN LLOYD : May I suggest, Sir, that it would be easier to deal with this in reply to the Honourable Mr. Dalal's question No. 103.

NUMBER OF PEOPLE WHO HAVE VACATED CALCUTTA, ETC., SINCE THE WAR WITH JAPAN.

96. THE HONOURABLE MR. G. S. MOTILAL : How many people have so far vacated Calcutta, Madras, Rangoon, Bombay and Assam since the Japanese War ?

THE HONOURABLE MR. E. RAGHAVENDRA RAO : The Government of India have no information and as such evacuation as has taken place has been purely voluntary and has not been conducted in connection with any pre-arranged and controlled scheme, it is not likely that Provincial Governments would have any accurate information.

NUMBER OF LOCOMOTIVES AND WAGONS SENT OUT OF INDIA SINCE THE BEGINNING OF THE WAR.

97. THE HONOURABLE MR. G. S. MOTILAL : How many wagons and locomotives have been sent outside India since the beginning of the war ?

THE HONOURABLE MR. S. N. ROY : Government consider that it is not in the public interest to publish this information.

*Question put by the Hon. Pandit Hirday Nath Kunzru.

STEPS TAKEN TO COUNTERACT JAPANESE PROPAGANDA.

98. THE HONOURABLE MR. G. S. MOTILAL : (a) What were the alluring promises of Japan referred to in the appeal of the Honourable Member of the Government for Civil Defence issued from Delhi on the 6th of February, 1942 ?

(b) What efforts have been made by the authorities to counteract the same ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : (a) The Honourable Member for Civil Defence referred, of course, to the notorious Japanese propaganda regarding a co-prosperity sphere in Asia under Japanese tutelage. The reality of this and the various other false promises can best be gauged from the utterances of those who have had bitter experience of actual Japanese oppression in China, Manchuria, Korea and elsewhere. I would ask the Honourable Member to read what Madame Chiang is reported to have said to the All-India Women's Conference on the 12th of February particularly the account which appeared in the *Hindustan Times* on the 17th of February.

(b) Government has taken and will take every step to provide the Press and the publicity organisations in this country with well authenticated evidence of what Japanese aggression has meant to the people of the Far East. Here again the Chinese themselves are the best witnesses. In the address, which I have just mentioned, Madame Chiang said, "They (the Japanese) will say to you 'We come to liberate you'. But that is a lie." Speaking to the Press Conference in Delhi on February the 14th, Dr. Hollington Tong, Vice-Minister of Information in the Chungking Government said, "At first the Japanese always use sweet words and say 'Friends, brothers and sisters we have come to rescue you from the fire and hell, and when they come they bring hell with them; that has been our experience during the last four and half years. It is not a message of brotherhood or friendship that they bring; it is a message of death, chilled death; it is barbarity and everything cruel'".

ADVERTISEMENT FOR A LADY STENOGRAPHER BY HEADQUARTERS, EASTERN COMMAND.

99. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : (a) Has the attention of Government been drawn to an advertisement published in the *Pioneer*, dated the 27th December, 1941 (Dak edition) over the signature of the Establishment Officer, Headquarters, Eastern Command, Naini Tal, inviting applications for a "First Class Lady Stenographer" in a military office, pay Rs. 200—15—260 per mensem ?

(b) Why the services of a lady stenographer are needed; and why the intending candidates are required to send recent photograph as mentioned in the advertisement ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) I lay on the table a copy of the full advertisement, only parts of which have been quoted by the Honourable Member.

(b) The lady stenographer was required for an important clerical post at Headquarters, Eastern Command, and it was considered that in conjunction with particulars of previous experience and testimonials, a recent photograph would provide a useful indication as to the suitability of the applicant, thus avoiding the calling up for interview at Government expense, of a number of candidates who might have proved unsuitable.

WANTED immediately first class lady stenographer able to take charge of a section in a military office. Previous office experience essential. Pay Rs. 200—15—260 per mensem. Apply in writing with testimonials and recent photograph, full details of family, religion; if married, whereabouts of husband. Successful candidate will receive travelling allowance (second class), free medical attention and free quarters, if available. Probationary period one month, thereafter required to sign for minimum of six months. Further details on application. Address applications to Establishment Officer, H. Q., Eastern Command, Naini Tal.

RECOMMENDATIONS MADE BY THE MINISTRY OF SUPPLY MISSION.

100. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state the result of the recommendations made by the Ministry of Supply Mission which visited India in the autumn of 1940, so far as the production of ammunition and other war materials are concerned ?

THE HONOURABLE MR. A. DEC. WILLIAMS : The Ministry of Supply Mission recommended the expansion of certain existing factories and the establishment of certain new factories. The Mission's projects after modification in some cases by His Majesty's Government in the United Kingdom, to whom the expenditure is charged, have all been satisfactorily launched. They will result in a considerable increase in India's production of munitions in 1942.

WAR SUPPLIES RECEIVED FROM THE U.S.A.

101. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state the total value of orders placed by the Indian Purchasing Mission in the United States of America up to date ?

THE HONOURABLE MR. A. DEC. WILLIAMS : The Honourable Member will appreciate the undesirability on general grounds of entering into any detail regarding war supplies received from the U.S.A. or any other source.

On the actual point of his question it is not possible in any case to give any figure since the I. P. M. handles not only direct demands from this country but allocations to India of bulk requirements concentrated through the United Kingdom and in regard to these no figures are available.

RECALL OF INDIAN TROOPS SERVING OVERSEAS.

102. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : In view of the grave menace to India due to war, do Government propose to bring back all Indian soldiers now serving outside this country to India for the effective defence of their homeland.

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : I would refer the Honourable Member to the reply given by me to parts (b) and (c) of the Honourable Mr. M. N. Dalal's question No. 64, on February 24th, 1942.

AUTOMOBILE ASSEMBLY PLANT IN SIND.

103. THE HONOURABLE MR. M. N. DALAL : (a) Are Government aware of the press report, dated January 11th, stating the Government of the U. S. A. are allowed to set up an assembling plant in Sind to supply automobiles to Russia, and the plant will be removed when the need for the supply to Russia ceases ?

(b) How far are the Government of India interested in this venture by way of aid, protection, facility or subsidy ?

(c) Have Government considered the reaction of such an enterprise under non-Indian ownership, management and control on the indigenous Indian enterprise in the same field, if and when Government see their way to assist and promote it ?

(d) Will Government consider the advisability of buying up this plant for the manufacture of automobiles in this country after the need for the supply to Russia ceases ?

THE HONOURABLE SIR ALAN LLOYD : (a) Government have seen a press report to this effect.

(b), (c) and (d). This is not a commercial project and no manufacture of vehicles is proposed. These questions therefore do not arise. A copy of a Press Note, dated 30th January, 1942, which gives the facts is placed on the table.

THE HONOURABLE MR. HOSSAIN IMAM: Will Government please state whether it is a fact that it is only an assembly plant for Russian cars?

THE HONOURABLE SIR ALAN LLOYD: It is an assembly plant, Sir, for American cars.

THE HONOURABLE MR. HOSSAIN IMAM: To be sent to Russia only or other theatres of war as well?

THE HONOURABLE SIR ALAN LLOYD: In the Press Note I have laid on the table there is quoted the statement made by the Secretary of State in the House of Commons, and in that statement he referred to the scheme as being for the purpose of enabling supplies from America to ourselves and Russia to be effectively used.

THE HONOURABLE SIR SHANTIDAS ASKURAN: Will cars from this factory also be supplied for Indian defence?

THE HONOURABLE SIR ALAN LLOYD: That is possible, Sir.

Press Note.

AUTOMOBILE INDUSTRY SCHEME.

GOVERNMENT NOT INFLUENCED BY VESTED INTERESTS.

Reply to Pandit Jawaharlal.

A statement which has appeared in the Press purporting to have been issued by Pandit Jawaharlal Nehru as Chairman of the National Planning Committee contains the following passages:—

- (1) "The Eastern Group Conference still apparently thinks in terms of India chiefly supplying raw materials and agricultural products and big industries being concentrated in other countries."
- (2) "Probably the most remarkable instance of Government's policy in the industrial field has been the veto on development of Indian automobile industry. The reasons advanced are the most purile imaginable. For years past efforts had been made by the Indian industrialists to start a motor industry in India. At last everything was settled, contracts were made, capital was forthcoming and all that was necessary was Government's consent. One would have thought that under the stress of war requirements any Government would have welcomed the development. Not so the British Government in India. It is stated they were influenced by vested interests of American motor-car industry who did not want India to develop her own automobile industry."
- (3) "Now it appears that the American authorities are starting some kind of motor plant somewhere in Sind. Objections previously raised as to the diversion of labour, etc., become now still more absurd. The whole thing is a fantastic illustration of the hold of foreign vested interests."

These statements are entirely incorrect. The Eastern Group Supply Council which was founded as a result of the Eastern Group Conference does not purchase from India or arrange supply from India of raw materials. It is concerned, save in a very few special cases, entirely with processed or manufactured goods.

With regard to the second part of the statement, the consent of the Government of India to the establishment of an automobile industry was not required. What the promoters of the scheme asked for from the Government of India was a guarantee of interest on the capital three crores invested in regard to a scheme for the gradual assembly and later part manufacture of automobiles, a contract for which had been entered into by the promoters with an American automobile company.

The Government was prepared to consider the granting of certain assurances such as the levy of import duties on motor cars and rebates of the duty paid on certain imported parts, but although the Bombay Ministry had before the war provisionally offered to guarantee interest on the capital invested for a period of 10 years, subject to certain very important stipulations, the Government of that Province did not find itself able, after the war had broken out, to confirm this offer unless the scheme could be described as a contribution to the war effort. This, they were informed by the Government of India, could not be stated for reasons which have already been repeatedly given publicly.

THE SIND SCHEME

It may be added that at the time the details of the contract entered into by the promoter with the American company were not placed before the public and the prospective shareholders. A later proposal for the granting of dollar facilities for import of machinery in connection with the same scheme depended upon the placing of orders by the Government of India for vehicles of a type which the Military did not at the time wish to introduce into the Army.

With particular reference to the statement that the Government of India was influenced by vested interests of the American motor-car industry in any of these decisions, it may be pointed out that the very contract to which reference has been made in this statement was with an American Automobile company whose types of cars were intended to be put on the market either after assembly or part manufacture.

No commercial automobile plant of any kind is being established in Sind. The position as regards a certain proposed installation in that Province was fully explained by the Secretary of State in a recent reply to a question in Parliament; he said:—"I presume Mr. Ammon is referring to the plant which the United States authorities are to establish and operate in India on the lease and lend basis. The purpose of this is solely to enable supplies from America to ourselves and Russia to be effectively used, and the manufacture of trucks, as distinct from their assembly and repair, is not in view. Thus in no sense can it be regarded as amounting to the establishment of an automobile industry and it has no bearing on the matter referred to in the latter part of the question. There are of course already several assembly plants in India."

DEPARTMENT OF COMMERCE.

New Delhi, January 30, 1942.

AUTOMOBILE ASSEMBLY PLANT IN SIND.

104. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Is it a fact that American authorities are going to start motor plant and industry in Sind or elsewhere in India, and that Government have received instructions from His Majesty's Government to this effect?

(b) Is it a fact that American vested interests in the form of new industry are growing in India? Will Government give some details of these projects?

(c) Why do not Government encourage the manufacture of automobiles by Indians themselves?

THE HONOURABLE SIR ALAN LLOYD: (a) The Honourable Member's attention is invited to my replies to questions Nos. 95 and 103.

(b) No.

(c) Government are prepared to encourage by the grant of such facilities as they consider proper, the manufacture of automobiles, when a suitable opportunity occurs.

NUMBER OF INDIAN TROOPS SERVING OVERSEAS.

105. THE HONOURABLE MR. G. S. MOTILAL: (a) What is the number of Indian officers and soldiers so far sent out (1) to Middle East, (2) to Burma and (3) to Malay States, Singapore and other places in the East?

(b) How many of them have won distinctions?

(c) How many of them have been brought back and how many have been killed or wounded?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): (a) It is not in the public interest to reveal these figures.

(b) Awards have been bestowed on 251 Indian officers and soldiers.

(c) Total casualties officially reported to date amount to approximately 6,900 killed and wounded. These figures are exclusive of casualties in Hong Kong and Malaya full information regarding which has not yet been received.

Numbers of men have been brought back on leave or exchanged, but I regret I am not in a position to give exact figures.

NUMBER OF DOMINION TROOPS AND BRITISH TROOPS SERVING IN VARIOUS THEATRES OF WAR.

106. THE HONOURABLE MR. G. S. MOTILAL : How many South African, Australian and British forces are fighting in the various theatres of war ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : It is not in the public interest to give the information asked for by the Honourable Member.

VALUE OF PURCHASES MADE BY THE SUPPLY DEPARTMENT.

107. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state the approximate total value of orders placed in India by the Supply Department up to date ; and the value of orders placed in the different Provinces separately ?

THE HONOURABLE MR. A. DEC. WILLIAMS : A statement showing the value of purchases made by the Supply Department by Provinces between 1st September, 1939 and 31st December, 1941, is placed on the table.

Statement showing value of purchases by Provinces during the period 1st September, 1939 to 31st December, 1941.

	(All figures are in thousands.) Value in rupees.
Bengal	79,74.78
Madras	8,98.97
Bombay	50,90.03
United Provinces	35,03.24
Punjab	19,36.99
Central Provinces	1,52.62
Sind	3,40.12
Bihar	11,79.02
Orissa	3.07
N. W. F. P.	43.53
Assam	41.60
Delhi	11,22.44
Ajmer-Merwara	98
Andamans	15.87
Coorg	74
Baluchistan	4.66
Indian States	6,88.85
Total	2,29,97.51

SAFE CUSTODY OF GOVERNMENT RECORDS.

108. THE HONOURABLE MR. G. S. MOTILAL : Do Government contemplate to make arrangements to remove fire-proof boxes, kept for the safe custody of records connected with the registration of documents and for documents deposited with Registration officers, from places of danger to safe places unlikely to be affected by enemy action ?

THE HONOURABLE MR. E. RAGHAVENDRA RAO : The responsibility for the safe custody of such records is primarily a matter for Provincial Governments. The Government of India addressed Provincial Governments in December, 1940 regarding safe custody of records of great value and offered to assist Provinces if this was necessary. The replies indicated that Provincial Governments were able to make their own arrangements.

BRITISH CURRENCY IN TERRITORIES OCCUPIED BY JAPAN.

109. THE HONOURABLE MR. G. S. MOTILAL : Have Government obtained or received any information from places occupied by Japan, as to the action taken by it affecting the currency of those places ? If so, what ?

THE HONOURABLE MR. G. S. BOZMAN : Government have no information.

DISTURBANCES CAUSED IN BOMBAY BY SAILORS AND SOLDIERS.

110. THE HONOURABLE MR. G. S. MOTILAL : (a) Has Government's attention been drawn to the reports which have appeared in several vernacular papers of Bombay and other places of the molestations by some sailors and Australian and Anzac soldiers ?

(b) What steps have Government taken to prevent such incidents ?

(c) Have the soldiers concerned been punished for their misbehaviour ?

(d) Why are the sailors and soldiers allowed to move out of military areas ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) to (d). Government have had their attention drawn to reports which have appeared in the public press from time to time of disturbances caused in Bombay and elsewhere by sailors and soldiers. They have issued instructions to all military authorities to take, in consultation and co-operation with local civil and police authorities, all the necessary steps to prevent the occurrence of such disturbances.

NUMBER OF AUSTRALIAN TROOPS IN INDIA.

111. THE HONOURABLE MR. G. S. MOTILAL : What is the number of Australian soldiers in India ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : None at present.

NUMBER OF INDIAN TROOPS IN MALAYA.

112. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What was the total number of Indian troops in Malaya including Singapore ? Were any of them evacuated before the fall of Singapore ? If so, how many ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I regret I cannot supply the information as it is considered that it would not be in the public interest to do so.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : But we have been told through the newspapers of the total number of troops captured by the Japanese in Singapore.

THE HONOURABLE THE PRESIDENT : May I draw your attention to the Standing Order which says that there should be no arguments at the time of putting supplementary questions. If you have put any definite question and it has been answered I cannot allow any more questions.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Are we not to be allowed to put supplementary questions?

THE HONOURABLE THE PRESIDENT : I am bound by the Standing Orders.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : If that is so, Sir, I decline to put any further questions.

THE HONOURABLE THE PRESIDENT : No. 113, the Honourable Pandit Kunzru.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I decline to put the question, Sir.

NUMBER OF CASUALTIES AMONG INDIAN TROOPS IN MALAYA.

113. **THE HONOURABLE PANDIT HIRDAY NATH KUNZRU :** (a) What was the total number of Indian soldiers who were (a) killed and (b) wounded in Malaya including Singapore?

(b) Have lists of Indian soldiers who died in Malaya been published in the Government Gazette? If not, why not?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) and (b). Full information is not yet available, but such information as is received is being published from time to time.

ARRANGEMENTS MADE IN CONNECTION WITH EVACUATION OF INDIANS FROM MALAYA.

114. **THE HONOURABLE PANDIT HIRDAY NATH KUNZRU :** What were the arrangements made to evacuate Indians from Malaya and what was the total number of Indian evacuees excluding Indian soldiers?

THE HONOURABLE MR. G. S. BOZMAN : The Government of the Straits Settlements entrusted the issue of tickets to a local committee of Indians. So far as I am aware all available ships leaving for India were used for the purpose.

Information regarding the number of Indians, other than soldiers, evacuated from Malaya to India has been called for and a statement will be laid before the House when it has been obtained.

RACIAL DISCRIMINATION IN EVACUATION ARRANGEMENTS FROM PENANG.

115. **THE HONOURABLE PANDIT HIRDAY NATH KUNZRU :** (a) Is it a fact that almost all Europeans in Penang were evacuated before its occupation by the Japanese?

(b) Is it also a fact that not merely no facilities were allowed to Asiatics for evacuation, but that steps were taken to prevent them by force from boarding the ship meant for the evacuation of the Europeans?

(c) Is it further a fact that the authorities refused to allow even Asiatic ladies to be evacuated in the ship referred to above?

THE HONOURABLE MR. G. S. BOZMAN : (a) and (b). The Honourable Member will appreciate that it has been impossible to obtain any official information. Government have however seen press reports which tend to substantiate the suggestion in the question and a statement reported to have been made by the Governor of the Straits Settlements on the 20th December indicates that there was some breakdown in the civil administration. Reports received from evacuees from Singapore also go to confirm this.

(c) I have not received any specific complaints regarding the evacuation of women folk from Penang.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL : Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the Bill to extend the date up to which certain duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect, which was passed by the Legislative Assembly at its meeting held on the 5th March, 1942.

RESOLUTION *RE* DISPOSAL OF HORSES UNFIT FOR MILITARY SERVICE.

***THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN** (United Provinces West : Muhammadan) : Sir, I beg to move the following Resolution :—

“ That this Council recommends to the Governor General in Council that the horses in use of the military not required for their purposes be sold at a fixed price or by auction except such horses which are not serviceable for any purpose instead of being shot. ”

Sir, I am not going to make a very long speech on this subject. From whatever point of view you take this, it is advantageous both for the people, for the poor horses as well as for the Government. In military there are some horses which are quite young and they can serve anywhere else except in cavalry or infantry, because some of the horses do not stand in a line. Others are quite capable of giving service although they might not be quite fit for military service. If those horses were to be sold, it would fetch a considerable sum of money which might be utilised for war purposes. Moreover in the present condition they will be very useful for those people who cannot keep a motor car now because of petrol rationing and it may be that as we go on it may not be possible even to get sufficient petrol to keep a motor car battery in order. Therefore it is all the more necessary that all such horses that are not required for military purposes which are fit to give other service should be sold either by auction or by fixing a particular price. It is said that the horses are not properly treated by their owners if they are sold; it is not proper that they should give any more service. In my Resolution I have put an exception “ except such horses which are not serviceable for any purpose ”. That category is covered by this exception. If there are horses which are not serviceable for any purpose, it is quite true that the destruction of those horses is quite proper.

With these few words, Sir, I beg to move this Resolution.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, the position of Government is this. A horse above the age of 15 is unfit for military service. Such horses are destroyed. Other horses rendered unfit for military service due to disease, accident, or viciousness are also destroyed. This latter class may be considered as

[His Excellency the Commander-in-Chief.]

unfit not only for military but for other uses as well. In the case of horses below 15 years of age which are rendered surplus to requirements and which are in fact fit for military service, they are not destroyed. They are utilised in services other than military; for example, by sale to military officers, with a lien by Government to recall the horses if required; by sale or gift to Provincial Mounted Police; by issue on loan to Provincial Governments, by issue to certain Indian State Forces; in the case of mares, by sale to horse and mule breeders in the breeding areas controlled by the Army Remount Department; by maintaining them as a reserve to meet normal and war wastage, and so on. At present, the position is that there is no surplus of horses fit for military service, that is to say, there are no horses "in use of military not required for their purposes". The matter, therefore, is of academic interest at present.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : I agree with His Excellency the Commander-in-Chief—after the statement made by him that there are no horses at the moment to which the provision of being shot can be applied—that this Resolution is of academic interest. I should like to know whether there is still a cavalry division maintained by the army; because we were made to understand that all our cavalry has been mechanized as recently as the 28th of February when the Budget was being introduced. We had all this organisation in Sargoda district and other places of horse breeders for the army. What we were anxious about was that the supplies which are still coming from the breeders and not required in the army might be shut down. It is to avoid that contingency that this Resolution has been moved. I should like if possible some more light may be thrown on this subject.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : Will you please repeat the last sentence? We did not catch it.

THE HONOURABLE MR. HOSSAIN IMAM : The first question is whether the horses which are being bred in the Punjab for the army are being utilised for the army or not; secondly, if they are not being utilised, what happens to them?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : The horse breeding colony in Sargoda has been abolished. Four thousand mares are no longer tied down under horse breeding conditions.

THE HONOURABLE THE PRESIDENT (to the Honourable Haji Syed Muhammad Husain) : Do you wish to press this Resolution to the vote?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : No, Sir. In view of the statement of His Excellency the Commander-in-Chief I do not think it is necessary to press this Resolution. In fact I take it that the spirit of the Resolution is accepted.

The Resolution was, by leave of the Council, withdrawn.

RESOLUTION RE SUPPLY OF HINDI AND URDU BOOKS TO THE HINDI SAHITYA SAMMELAN AND THE ANJUMAN TARAQQI-I-URDU.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, I desire to move the following Resolution :—

"That this Council recommends to the Governor General in Council to take steps to so modify the law as to ensure that a copy of every work printed in the country in Hindi is supplied to the Library of the Hindi Sahitya Sammelan and of every printed work in Urdu to the Anjuman

Taraqqi-i-Urdu, in the same manner in which the works printed in Great Britain are presented to the Library of the British Museum, the Bodleian and the Cambridge University Library."

Sir, even in war time I think it is permissible to turn away from severely political subjects and devote one's self to subjects which promote the cultural development of the nation. Hindi and Urdu are the two principal languages of Northern India. They have vast literatures, growing literatures and they need development and encouragement and their cultural value cannot be ignored. These two institutions which I have mentioned, namely, the Hindi Sahitya Sammelan and the Anjuman Taraqqi-i-Urdu stand for the development of these two languages. The Hindi Sahitya Sammelan is an institution of an all-India character and it has been functioning for the past 30 years and has done much to promote the development of Hindi literature. It has behind it the personality of Babu Purshotamdas Tandon who was the Speaker of the United Provinces Legislative Assembly. It has the active support of Pandit Madan Mohan Malaviya and Pandit Madan Mohan Malaviya and Mahatma Gandhi are among its ex-Presidents. Seth Jammalal Bajaj was also one of its ex-Presidents. The other ex-Presidents of the body are Babu Rajendra Prasad, Pandit Shri Dhar Pathak, the great Hindi writer, Babu Sampuranand, Seth Govind Das, Shri Ajudhisingh, Dr. Shamsunder Das, the great Hindi literary critic, Pandit Padamsingh Sharma, and it has the patronage and support of His Highness the Gaekwar of Baroda, His Highness the Maharaja Scindia and the Honourable the Maharajadhiraja of Darbhanga. His Highness the Maharaja of Indore opened its session which was recently held at Indore. The Sammelan is recognised by all literary Hindi men as the central organisation for the spread and progress of Hindi literature and its activities embrace the whole country. It conducts examinations and its endeavour has been to form the nucleus of a Hindi university. It has published many books of great value and in its examinations nearly 40,000 students sit every year. It has about 500 centres for its Hindi examinations all over the country and it celebrated its 30th anniversary at Abohar under the presidentship of the Vice-Chancellor of the Allahabad University, Pandit Amarnath Jha.

I shall turn now, Sir, from the Hindi side to the other organisation named by me in my Resolution, the Anjuman Taraqqi-i-Urdu. This organisation, or this institution, the object of which is to popularise Urdu literature, was established somewhere in 1903. It has its headquarters in the imperial town of Delhi. It has an annual income of about Rs. 80,000 and it has a general reserve fund of about Rs. 50,000. I understand, Sir, that the Anjuman Taraqqi-i-Urdu has been given land by the Delhi Administration for building purposes. Its President is Sir Tej Bahadur Sapru and its Secretary is the most distinguished Urdu scholar living in this country, Dr. Abdul Haq. It has a library and it has the patronage of His Exalted Highness the Nizam of Hyderabad. It has affiliated to it some educational institutions in Bihar, Madras and, from the Urdu-speaking point of view, certain other backward parts of the country. It publishes books also.

Sir, recently it will be within the recollection of the House that the distinguished Vice-Chancellor of the Delhi University, Sir Maurice Gwyer and the Educational Commissioner with the Government of India, Mr. John Sargent, stressed that for the very purposes for which the democracies are fighting this war it is necessary that there should be planning in education, that there should be planning—if I may use that word—in culture and that money should not be stinted for cultural advancement and an advancement in education. Now, Sir, I am not asking Government here for a grant. What I am asking them to do is to follow the British example. Sir, in England under the Copyright Act of 1911—it was I think amended in 1932—section 15, the publisher of every book published in the United Kingdom is required within one month after the publication to deliver at his own expense a copy of the book to the Trustees of the British Museum, who have to give a written receipt for it. He has also, if a written demand is made before the expiration of twelve months after publication, to deliver within one month after receipt of that written demand a copy of every book published to the following other libraries, namely, the

[Mr. P. N. Saprū.]

Bodleian Library, which, as Members of the House know, is the great library of the Oxford University, the University Library, Cambridge, the Library of the Faculty of Advocates at Edinburgh and the Library of Trinity College, Dublin, and, subject to certain provisions of section 15 of the Copyright Act, the National Library of Wales.

Now, Sir, the Copyright Act section goes on to say that in the case of an encyclopaedia, newspaper, review, magazine or work published in a series of numbers or parts the written demand may include all numbers or parts of the work which may be subsequently published. I think, Sir, there was an amendment of this Act in 1932, but so far as this section is concerned it was not substantially amended and the position is that in England the writer or the publisher of a book is required to supply copies of the book for the benefit of the Bodleian Library, Oxford, the University Library, Cambridge, the Library of the Faculty of Advocates at Edinburgh, the Library of Trinity College, Dublin, and, subject to certain restrictions, the National Library of Wales.

Now, Sir, I find that there is no similar provision in the Copyright Act of this country. The only provision which we have, I think, in the Indian law is in the Press and Registration of Books Act, and I will invite the attention of the House to section 9 of that Act :—

"Printed or lithographed copies of the whole of every book which shall be printed or lithographed in British India after this Act shall come into force, together with all maps, prints or other engravings belonging thereto, finished and coloured in the same manner as the best copies of the same shall, notwithstanding any agreement (if the book be published) between the printer and publisher thereof, be delivered by the printer at such place and to such officer as the Local Government shall, by notification in the official Gazette, from time to time direct * * *

This provision is not for cultural advancement. It is for, if I may use the word, political espionage. The object of my Resolution is that these two organisations, which are the principal institutions for the furtherance, progress and development of the two principal languages of modern India, languages which are understood almost throughout the length and breadth of this country, should be helped to be able to build up decent libraries. For this purpose, they should have available every book that is published in this country. The change of law in this direction will not impose any hardship on the publisher. He can surely spare one copy for libraries of this character.

It may be said that if the principle of this Resolution is accepted, then similar claims will be made by other organisations and institutions which are working for the promotion of other Indian languages. I would not deny to institutions or organisations working for the development of other languages the right which I am claiming for these two languages in which I as a person belonging to Northern India am particularly interested. We have had a remarkable development in these two languages during the last 20 or 25 years. Many books of scientific value have been published both in the Hindi and the Urdu languages. Their literatures have improved. I am not a student of Urdu. I happen to be acquainted with Hindi. I like to read Hindi occasionally and I find that in recent years we have produced some very fine writers of fiction, of poetry, of psychology, history, and so on. You have only to take up a Hindi magazine and see how varied are the subjects dealt with in that magazine. If we wish the culture which we have imbibed in our English schools and colleges to filter down to the masses, it is clear that we must work through the Indian languages and therefore this Resolution is intended for the development of Indian languages. I may mention that the idea of this Resolution was suggested to me by the address of Pandit Amarnath Jha as President of the Hindi Sahitya Sammelan. In his Presidential address he suggested that there was need for a change of the law on the lines of the British Copyright Act. The authority for the promotion of these two languages. They are the two leading organisations and if the benefit of the Copyright Act amendment can be extended to them, I have no objection. These two organisations are the most authoritative organisations of

the two languages. Hindi writers look to the Sahitya Sammelan just as French writers—I do not say that we have reached the same stage of development as the French language—look to the French Academy. They look upon it as an institution whose approval of a work marks them a big writer.

With these words, Sir, I would commend this non-controversial Resolution in war time to the acceptance of the House.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. President, I have great pleasure in supporting the Resolution which has been moved by the Honourable Mr. Saprū. I do not think it is necessary for me to inflict a long speech on the House. But I do welcome this Resolution as it shows essential unity between the two languages of India. It is a welcome coincidence that the Presidents of both the organisations, one for Urdu and the other for Hindi, are Hindus and from the same city of Allahabad. The Anjuman Taraqqi-i-Urdu is under the distinguished Presidentship of the Right Honourable Sir Tej Bahadur Saprū and the Hindi Sahitya Sammelan under that of Dr. Amarnath Jha. Sir, the demand in this Resolution is one which would not cost the Government anything. They have only to make the necessary amendment in their Act in order to make it possible for these national organisations to receive the publications. The law as it stands at present is administered by the Provinces and it has no all-India effect. The copies that are published have to be delivered under the orders of the Local Government and they apply only to the locality of that particular Government. For instance, if the Delhi Administration were to pass an order that a copy of all publications in Urdu should be made over free of charge, it will have effect only in the Delhi area and it will not apply to other areas. It is, therefore, necessary that a comprehensive amendment should be made so that the Government of India may, by its action, make it compulsory for all the printers and publishers to make over a copy of the publication. In this connection I should like to remind the House that the Anjuman Taraqqi-i-Urdu, starting from a humble beginning 39 years ago, has now become a very extensive organisation. It has 232 branches, 64 night schools and it has published 170 books. It publishes three papers; one is a quarterly known as *Urdu* of 150 pages; the other is a monthly publication called "Science" of 64 pages; and the third *Hamari Zaban*, "My Language", a fortnightly publication. There are 18 members of this organisation which contains such distinguished people, in addition to the Right Honourable Sir Tej Bahadur Saprū, as Dewan Bahadur Raja Narendra Nath, the President of the Hindu Mahasabha, Punjab, Raja Sir Daya Kishen Kaul, Colonel Sir Kailashnath Haksar in addition to others like His Excellency Nawab Colonel Hafiz Ahmad Sayed, Khan Sahib of Chhittari the Prime Minister of Hyderabad. Sir, an organisation so distinguished and so honoured ought to get the moral support of the Government in whatever way they can possibly give it. I do hope the Government will see its way to accept this Resolution and give their help to this organisation if they require it and, when there is enough, to give money.

*THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, the object of this Resolution is so good from the point of view of the languages and culture of India that it does not require a good deal of support. I am sure that every Member of this House would support this Resolution. To printers the sacrifice of a copy or two will not be too great. Besides, it will be useful to the writers as well as to the publishers. These two institutions not only merely encourage language which they support, but also they criticise publications and pass opinions on them, and I am quite certain that institutions like these which have such eminent scholars on them provide valuable criticism on publications and so help to improve the tone of the language which will in consequence be benefited. If we turn to section 9 which my Honourable friend has just read we find that a very slight amendment where it is written—

"There ought to be delivered by the printer at such place and to such officer as the Local Government shall, by notification in the Official Gazette, from time to time direct and free of expense to the Government"

*Not corrected by the Honourable Member.

[Haji Syed Muhammad Husain.]

made as follows—

THE HONOURABLE THE PRESIDENT : You had ample time ; why did you not give notice of an amendment ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : It is not an amendment, Sir.

THE HONOURABLE THE PRESIDENT : You want to add a few words to this Resolution ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : No, Sir. I only say that if, as is said in this Resolution, the Government were to improve this section in the Act the purpose of the Resolution will be served. Section 9 was read by my Honourable friend, who said that a similar provision to that which exists in England also exists in the Indian Act with a certain omission, namely, that certain Libraries are mentioned in the English provision and there is no such mention in our Act.

THE HONOURABLE THE PRESIDENT : You do not want to make any alteration in the Resolution ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : No, Sir.

THE HONOURABLE THE PRESIDENT : You only want to bring this point to the attention of the Government Member ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : Yes, Sir.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary) : Sir, I shall be very brief. I have listened with interest, and I may say a good deal of sympathy, to what has been said by my Honourable friends Mr. Sapru and Mr. Hossain Imam and the Honourable Mr. Muhammad Husain in support of this Resolution. I may say at once that I agree, broadly speaking, with the statement of the law as it stands in England and in India which has been given by the Honourable Mr. Sapru and I would agree also with Mr. Hossain Imam that if we are going to have legislation on this subject it would be very desirable that it should be Central legislation. Otherwise the object might be defeated. I am not quite clear whether the Honourable mover of the Resolution intends that it should apply to newspapers. I am not sure that the English law applies to newspapers, but I should like him to indicate whether he intends his Resolution to cover the case of newspapers or only the case of books and pamphlets and maps and such like.

THE HONOURABLE MR. P. N. SAPRU : I would have monthly periodicals included but not daily newspapers.

THE HONOURABLE THE PRESIDENT : Will you draw the line at weeklies ?

THE HONOURABLE MR. HOSSAIN IMAM : Weeklies will be excluded, Sir ; only monthlies and quarterlies.

THE HONOURABLE MR. J. D. TYSON : I think I know what the Honourable Member is aiming at. Now Sir, it would be quite possible to have Central legislation on this subject under item 17 of the Concurrent List under the Government of India Act—" Newspapers, Books and Printing Presses ". I think we can certainly amend the Press and Registration of Books Act. But of course our custom in legislating in matters that concern the Concurrent List, our invariable practice is to consult Provincial Governments first. The Provincial Governments would have to handle

the implementing of any legislation, and therefore there is a double reason why in a matter of this kind we should consult Provincial Governments before we commit ourselves to Central legislation. There is a further reason, Sir, why we should refer the matter, if the House passes the Resolution, to Provincial Governments. I do not doubt for one moment the status of the two societies mentioned by the Honourable mover. But I am apprehensive, as he foresaw, that a Resolution of this kind may give rise to other claims, certainly as regards other languages in India and other literatures, and even possibly there may be other claims as regards Hindi and Urdu. For that reason also a proposal for legislation should obviously be sent to Provinces for their opinions, so that if we have legislation it should be as far as possible comprehensive. That, Sir, is really all I have to say. The Resolution as it stands would commit us, if we accepted it, to modifying the law so as to ensure that a copy of every work was by law to be sent to these two associations. Therefore, Sir, I regret we cannot accept the Resolution as it stands ; but we shall certainly not oppose the Resolution moved with such eloquence and moderation by my Honourable friend. So far as Government benches are concerned, we should leave it to a free vote, and if the Resolution is accepted by the House the course we shall adopt and which I have already indicated is that we shall immediately send it to the Provinces to see their reactions.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, I am glad to see that my Honourable friend the Education Secretary has been good enough not to oppose this Resolution, but I must confess that I found his reply very disappointing. There is no doubt that the formalities required by the division of India into several provinces have to be gone through by the Government of India and that the information that they require can be obtained only through the Provincial Administrations. But I had hoped that my Honourable friend will not merely refrain from opposing the Resolution but express his sympathy with the demand contained in it.

THE HONOURABLE MR. R. H. PARKER (Bengal Chamber of Commerce) : He said so.

THE HONOURABLE MR. J. D. TYSON : If I may recall, Sir, my opening words were that I had listened with interest and with a good deal of sympathy.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I confess when I took that in relation with what he said at the end and what he said in the course of his speech I felt that that was merely a formal assurance. He will pardon me if I am doing him an injustice, but the whole trend of his speech seemed to me to be non-committal. For instance, he referred to other associations that might exist in other provinces and which might ask for a right similar to that which this Resolution proposes to confer on the Hindi Sahitya Sammelan and the Anjuman Taraqqi-i-Urdu. There are undoubtedly associations connected with the development of Urdu. There are undoubtedly associations connected with the development of Indian literatures in various parts of India, in Maharashtra, in the Canarese-speaking areas, in the Tamil-speaking areas, in the Telugu-speaking areas, in Bengal, and so on. Now, if an important institution connected with each language asks that it should be allowed the same facilities which this Resolution proposes that the two institutions connected with Hindi and Urdu should enjoy, I do not see how the position of the Government of India would become more difficult. If my Honourable friend is in sympathy with the demand made in this Resolution, if he is in accord with the principle underlying it, he should be prepared to treat other important organisations in the same way in connection with books dealing with the literatures which they represent. I think it is one of the most important signs of the national awakening in India at the present time that a great deal of attention is being paid to the cultural development of the people through their own languages. When I visit any province I always make it a point to find out whether there is any association there whose object it is to standardise and develop the language and

[Pandit Hirday Nath Kunzru.]

persuade the people to adopt one form of speech which all cultured people and the people in general might equally use. Sir, I will not do my Honourable friend the injustice of supposing that he can be opposed at heart to such a Resolution or can have no sympathy with it; but he has spoken to us purely as an official when I should have thought that as a man belonging to a country which has done great work for the development of its language he would adopt a bolder and more sympathetic attitude. I am sure that my Honourable friend Mr. Sapru will be glad that he has received even such support as he has from the official side and we shall all hope that as a result of the inquiries which the Government of India propose to make they will be able to modify the existing legislation in the direction suggested by my Honourable friend Mr. Sapru.

THE HONOURABLE MR. J. D. TYSON: On a point of explanation, Sir. May I say that we cannot accept this Resolution—

THE HONOURABLE THE PRESIDENT: You will have another chance of reply if you will kindly wait till Mr. Sapru has finished.

THE HONOURABLE MR. P. N. SAPRU: Sir, the Honourable Dr. Kunzru has dealt with the speech of my esteemed friend the Honourable Mr. Tyson. He has no doubt intimated that he has a good deal of sympathy with the Resolution but he is not prepared to accept the principle of this Resolution without reference to Provincial Governments. That is the position that he has taken up. I think, Sir, that a lead in this matter ought to be given by the Central Government. If you want uniformity in this matter there should be Central legislation; and after all we have certain advisory bodies, the Central Advisory Board of Education, and we have, though it is not directly under governmental control, we have the Inter-universities Board. Therefore there ought to be no difficulty in ascertaining what the views of the Provincial Governments are. So far as the status of these organisations are concerned, there is no doubt about that. So far as the Hindi Sahitya Sammelan is concerned, some of the most eminent names in Hindi literature are connected with it. Swami Shraddhanand was connected with it and it has, as I pointed out, the patronage of many Ruling Princes and that its Secretary is probably the most eminent living Urdu scholar in this land, Dr. Abdul Haq. A difficulty pointed out by Mr. Tyson was this that we have in this country a number of other languages and they may have similar associations and they will also claim similar rights. I would like those rights to be extended to those associations also and suitable provisions can be made in the law as was pointed out by Mr. Muhammad Husain. I mean very simple amendments in the law will meet the requirements of the situation.

Sir, I should like the House to treat this as a cultural Resolution and I should like the House to express its sympathy with those who are working in the fields of Indian languages and therefore I should like this Resolution to be put to the vote. I should like to feel that the Council of State has expressed its sympathy with Indian literatures and with those who are working in the fields of Indian literatures. Literature, Sir, interprets life and it interprets life, I think, even in war time. I should like every Member to feel that he is doing his duty by the literatures of this country by voting for this Resolution. Therefore I should like this Resolution to be put to the vote of the House.

THE HONOURABLE SIR A. P. PATRO (Nominated Non-Official): Do you include such ancient institutions like the Telugu Academy and the Tamil Academy in the scope of your Resolution?

THE HONOURABLE MR. P. N. SAPRU: I do not know if they are ancient but I will accept my Honourable friend's word and I should be willing to give them my support just as he would be willing, I am sure, to give me his support.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary): I should perhaps make it clear, in view of what has fallen from Pandit Kunzru, that we do not as a matter of fact legislate in the Concurrent List without consulting the Provinces. If we accept this Resolution we commit ourselves to legislating in the Concurrent List without the necessary reference to the Provinces. Secondly, we should be confining our legislation to Hindi and Urdu literature. Why should my Honourable friend consider me so poor and apathetic a Bengali that I should deny my own Province the privilege of sharing in the benefits of legislation of this kind? We in Bengal are very proud of our own language, so why should Bengal not share in anything of this kind that is going?

THE HONOURABLE THE PRESIDENT: It is not necessary to read this Resolution a second time. I will put it to the vote.

Question put and Motion adopted.

INDIAN COMPANIES (AMENDMENT) BILL.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce): Sir, I move:—

"That the Bill further to amend the Indian Companies Act, 1913, be taken into consideration."

I was unofficially accused yesterday by an official Member of the House of having exceeded my postcard size in speeches. Well, I will try not to do so today. I want to draw particular attention to a few points that there are in the Statement of Objects and Reasons. At the bottom of the first paragraph it says:—

"..... it is now possible for a company to carry out a scheme for the transfer of the whole of its assets and undertaking and for dissolution by proceedings under section 153, which require a far less stringent majority than is required by section 54, the relatively less important matter of consolidation or sub-division of the capital of a company can only be effected through the machinery of the latter section."

Well, I have spent about ten years or rather more of my life being a doctor of sick companies and you do find that there are cases where a particular provision of this nature stops you from doing something which is entirely for the good of everybody. This Bill in effect proposes to introduce what is really a democratic principle. As the provisions of the Act now stand those people who do not vote at all have really more power than the people who vote and you get into this ridiculous position that you might get 74 per cent. of the shares being represented for a Resolution and 26 per cent. not voting at all and the 26 per cent. will be able to carry the day as opposed to the 74 per cent. who definitely believe that a certain thing ought to be done. That, I think, is rather a ridiculous situation and it was considered so by the Greene Committee. Sir Wilfrid Greene, the Chairman of the Committee, was probably the ablest Chancery lawyer of our time and I think what he thought was right and that we can reasonably support.

Sir, I move.

THE HONOURABLE SARDAR BAHADUR SOBHA SINGH (Nominated Non-Official): I have great pleasure in supporting the Honourable Mr. Parker's Motion that the Bill to amend the Indian Companies Act be taken into consideration. The object of this Bill is to facilitate the reorganisation of the companies. It is quite a simple thing as Mr. Parker has explained. Under the existing Act it often becomes very difficult to make even a little change. One has to go to the shareholders and 26 per cent. of them may be absent or silent, and you cannot do anything. While the proposed Bill softens the existing provision it has the merit of not making reorganisation too easy. Such a measure is of great help to the companies at the present juncture when increased industrial and commercial activities call for some kind of rearrangement. Further, the English law has also been

[Sardar Bahadur Sobha Singh.]

amended to suit the present-day requirements and the proposed amendment is on the same lines. As the Honourable Mr. Parker has explained there is nothing underneath the Bill. The amendment proposed is very much desirable and I give my full support to it.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadan) : Sir, I rise to support this Motion. As the law stands, section 54 and section 153 are overlapping and to clarify the law I think the best thing to do would be to drop section 54. This has been done in England when the Companies Act was consolidated in 1929, and I am surprised that the Indian Companies Act still retains the archaic and impracticable section 54 on the Statute-book. I say impracticable because three-fourths majority of all the shareholders of a given class, no matter whether they are present or absent at a meeting, is in fact impossible of attainment. I therefore support the Motion.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, on behalf of our party I desire to support this amendment. I think it is a healthy amendment. It will improve the Companies Act and it will bring it into line with the recommendations of the Greene Committee and with the law as it is in England. Three-fourths majority of a class is an impossible requirement and it is very difficult under the present section 54 for companies to reconstruct themselves. I desire to accord my support to this.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary) : In view of the speeches that have already been made I do not wish to make any statement on behalf of Government on this Bill.

THE HONOURABLE THE PRESIDENT : Motion moved :—

"That the Bill further to amend the Indian Companies Act, 1913, be taken into consideration."

Question put and Motion adopted.

THE HONOURABLE MR. M. N. DALAL : Sir, I move :—

"That in clause 2 of the Bill, for the word 'deleted' the word 'omitted' be substituted."

This is merely a formal amendment.

Sir, I move.

Question put and Motion adopted.

Clause 2, as amended, was added to the Bill.

THE HONOURABLE MR. M. N. DALAL : Sir, I move :—

"That in clause 3 of the Bill after the word 'substituted' the word 'namely' be inserted."

This again is merely a formal amendment.

Sir, I move.

Question put and Motion adopted.

Clause 3, as amended, was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. R. H. PARKER : Sir, I move :—

"That the Bill, as amended, be passed."

Question put and Motion adopted.

(The Honourable Mr. Hossain Imam, in whose name stood the next Motion, was absent when called.)

RESOLUTION *RE* FORMATION OF A HOME GUARD.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, I beg to move :—

"That this Council recommends to the Governor General in Council that in view of the seriousness of the situation immediate steps be taken to form a Home Guard for the defence of the country and that it should be trained on the same lines as the British Home Guard."

With your permission, Sir, I should like to delete the words "those of" in the last line of the Resolution as printed.

THE HONOURABLE THE PRESIDENT : Very well.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Mr. President, this Resolution speaks of the seriousness of the situation and urges that as one ground for taking the step recommended in it in order to strengthen the defences of the country. No words are needed from me, Sir, to depict the difficult situation in which we find ourselves at the present time. Japan has become master today not merely of the Malaya Peninsula but also of Singapore and the Malayan Archipelago. It is trying to extend its conquests both in the East and the West. There are three countries which it is devoting particular attention to at the present time, namely, Java, the Philippines and Burma. If Java and the Philippine Islands pass under its control, its position, at least for the time being, will be rendered secure in the South West Pacific, and it will be free to turn its attention to the Bay of Bengal and the Indian Ocean. Should it achieve more success than it has done in Burma, the consequences to India will be even more serious than those of the victories it has already obtained. We feel already that the enemy is at the gate and that we should take all possible measures to prepare the people to defend their country. Sir, the dangers which threaten India will not affect her only. To any student of the political and broad military issues which arise out of the present war it must be clear that any weakening or disorganisation in India will have serious repercussions on the Middle East front, and should the supply of men and material from India to the Middle East cease or slacken, it seems to a layman that it will be exceedingly difficult, if not impossible, for the Allied armies then to maintain their positions. In such a case, there will be a serious danger of our enemies from the East and the West joining hands and thus making the position of India virtually hopeless. Apart from this, Sir, we may be exposed to further dangers by the advances made by Japan towards the Southern or Eastern coast of India. One has only to mention Ceylon in order to realise that at the present moment we are faced with grave dangers from nearly all sides.

Sir, the other day, His Excellency the Commander-in-Chief, replying to a question in this House, admitted that the Japanese might use their command of the sea and air at the present time to attack us in various ways.

"We must be prepared", he said, "for attacks on our shipping on the seas; and we must be prepared for attacks on this land of India from the air and by bombardment from the sea, and we may have to face the possibility of a landing".

No words of mine can better bring home to us the seriousness of the present situation than the words of His Excellency the Commander-in-Chief which I have quoted. Now, it is necessary when serious dangers threaten us that we should ask ourselves whether we can take any special steps at the present time to meet them.

[Pandit Hirday Nath Kunzru.]

That we are in an exceedingly difficult position is no reason why we should sit with folded hands or adopt an attitude of defeatism. On the other hand, I feel, and feel in every fibre of my being, that the hour of danger is one which ought to test our manhood most, and it is at such a time that we should show that we can prove equal to any emergency. The position so far as India is concerned and broadly speaking so far as the East is concerned, is the same as the position created in the West by the collapse of France in June, 1940. The position of England was an exceedingly perilous one at the time. England was at that time short not merely of trained men but also of modern weapons. It had lost a great deal of equipment in France, and Mr. Churchill in a frank speech—unlike the replies which the representatives of the Government of India delight in in this House—told the nation the danger that confronted it and appealed to all men, to men belonging to all ranks of life to come forward to defend their country. It was at a time like this that the Home Guard was formed in England. What more natural than that we should at a time when the situation is so grave should ask that a similar step should be taken to strengthen our position in our country.

Now what is the character of the Home Guard which my Resolution urges the authorities to establish? Before I answer this question I should like briefly to point out what the duties of the Home Guard are and why it was necessary to have such a force and not some other kind of force, for instance the Volunteers and the Militia which existed formerly, to meet the danger with which England was threatened. It is a commonplace today to say that totalitarian warfare must be dealt with by totalitarian methods of defence. That applies to the situation that existed in England in July, 1940 and the danger that England may still have to face. The situation was somewhat as follows. The Nazis have adopted a new method of achieving their purpose. They do not depend merely on their armies. They first try to weaken the morale of the populations concerned. For this purpose they try to have men in sympathy with them in every part of the country which they wish to subjugate. Now these men who are called Quislings or fifth columnists may be found not merely in bigger towns but also in the smaller towns and the villages. It is thus clear that this is a danger which England had to be prepared to face everywhere. Similarly the Nazis have used another method, the method popularly known as that of infiltration, in order to create disorganisation in the country which they wished to attack. They try to drop parachutists at different places so that the soldiers who are thus dropped from aeroplanes may, after getting into touch with the Quislings in the civil population, create a situation in which troops sent by troop carrying planes can be landed. Now this again is a danger which may have to be faced throughout the country. It is thus clear that a professional army which has to be maintained at certain points cannot deal with a danger that is ubiquitous. If we are threatened with danger at every point, it is necessary for us to organise a method of defence which will be effective at every point. Now the object of establishing the Home Guard was to provide a force which, unlike the army, could make itself felt everywhere. It consists not of soldiers but of civilians, who although trained by the military authorities become a part of the regular forces only when actually on duty. It is clear from what I have said that if an attempt had been made to raise regular troops to deal with a situation in which every part of the country might be supposed to be in the front line very few men would have been left to produce those supplies without which the army cannot work. It was necessary therefore to train men who would normally do the work required of civilians and at the same time prepare themselves to do a soldier's job when actual danger threatened the particular place where they happened to be.

From the explanation that I have given, Sir, it must be clear to the House why the Home Guard was created in England and what its duties and character are. As a writer on the Home Guard has put it, the Home Guard is a means of connecting the army with the people at large. It is in fact the people's army. The members of the Home Guard imbued with intense feelings of nationalism and knowing that the

safety of their country is at stake are organised in small groups under the control of the military authorities to render such service as men in their position can. They are not expected to take on large forces. That is the business of the regular army. But they can even without being able directly to oppose large enemy forces render valuable services. My Honourable friend Mr. Mahtha asks me what is the difference between Civic Guard and the Home Guard. My Honourable friend Mr. Sapru says that the difference is that between chalk and cheese and I entirely agree with him. Mr. Sapru yesterday in his speech explained the position of the Civic Guard. It is an auxiliary to the police force, while the Home Guard is an auxiliary to the regular forces, the army, the navy and the air force. It is, as one writer has put it, practically a fourth arm of defence.

Sir, the House would doubtless like to know what are the specific duties that are assigned to the Home Guard. Their main duties are four in number. They are required to protect important points from sabotage and attack. They have to act as observers reporting the time and place of any enemy landings that may take place. Then again one of their duties is to deliver immediate attacks on parties of enemy troops landed not in overwhelming numbers. They are given such training as would enable them to deal with small enemy groups. And lastly, Sir, in the event of their being unable to face the enemy directly because of his strength or because of his being heavily armed, their task is to withdraw to previously prepared positions, that is fortified posts, and thus in every conceivable way harass the enemy, delay his progress and make it impossible for him to get the food and rest that even he must need. These are, Sir, the main duties of the Home Guard. This description will have enabled my friend Mr. Mahtha to understand clearly the difference between the Civic Guard and the Home Guard. Now, Sir, it is obvious that duties so important as those which are entrusted to the Home Guard require previous training for their proper performance. The members of the Home Guard therefore receive a training suited to their positions and their responsibilities in England. They are not trained in the same way as the regular troops. They are not, for instance, drilled in the same way. But they are certainly taught to shoot. The rifle is their principal weapon. But it must not be supposed that the Home Guard in England came into existence at a time when it was possible to provide each member of it with a rifle. As I have already said it was created at a time when England was in no little difficulty in respect of equipment.

Having, Sir, described the position of the Home Guard, I shall now deal with the latter part of my Resolution in which I ask that a Home Guard should be established in India and that it should be trained on the same lines as the British Home Guard. In asking that a Home Guard should be established here and that it should receive the same training as the British Home Guard does, I am not unaware of the differences between our position and that of England. I am aware that it may not be possible for us to give our Home Guard all at once that training which the British Home Guard receives at the present time. But the training given to the British Home Guard was not always what it is today. When it was commenced it was more elementary than it is today. It was slowly developed. I ask that the same thing should be done here. I realise that we cannot all at once create a Home Guard which will be as well trained as the British Home Guard and which will be provided with all those arrangements for the defence of the country which the British authorities have in course of time been able to provide for the defence of England, for instance, fortified posts, road blocks, and so on. I am aware of these difficulties but I see no reason why a beginning, and a large beginning, should not be made even at the present time. Now I shall be told, Sir, that there is serious dearth of equipment in this country. Sir, the Dominions Secretary, speaking in the House of Lords the other day, drew the attention of the critics of Government to the shortage of equipment in this country and said:—

"It was not right to assume that the million men who at present compose the Indian Army were armed and fully trained. Every man who was fully armed was being used. Equipment was a difficult part of the problem."

[Pandit Hirday Nath Kunzru.]

Sir, a shiver ran down the spine of my Honourable friend Sir Firoz Khan Noon yesterday when Mr. Sapru referred to the shortage of rifles in this country. I wonder whether he had read the statement of the Dominions Secretary before he got up and asked my Honourable friend to reserve his remarks with regard to the shortage of equipment for the secret session which he expected would soon be held.

Sir, England being a free country does not follow the hush-hush policy that always commends itself to the authorities here. I asked a simple question this morning about the number of troops, Indian troops, captured by the Japanese in Malaya and Singapore. We are vitally interested in the matter and yet the answer that we received from His Excellency the Commander-in-Chief was that he could supply us with no information on the point. We are to send our soldiers to every possible theatre of war outside the country but we are to take no interest in their welfare. We are not to be told what has happened to them. We are not even to be told how many of them have fallen into the hands of the enemy. It is known, Sir, that the British Prime Minister, or his Deputy in the House of Commons, has promised to give full information regarding the circumstances connected with the fall of Singapore and the capture of Allied troops by the Japanese as soon as the necessary reports are received from such people as can send them, but, even with this knowledge, His Excellency the Commander-in-Chief thought that he would be giving out a very valuable secret if he told us what the number of Indian troops captured in Malaya was. Can this information be of the slightest use to the enemy? The enemy knows it already. Unless, therefore, Government thinks that the Indians are all enemies of the Government, that they are greater enemies of the Government than the Japanese, there was no point, Sir, in denying us the simple information that was asked for in my question. This is, Sir, the attitude of the Government of India, and it contrasts painfully with the attitude adopted by the British authorities in England, because while England is a free country India is not. It is unhappily still a slave country.

THE HONOURABLE THE PRESIDENT : Will you please bring your remarks to as close as you have already exceeded your time ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, I have already said that I shall be told that there is a shortage of equipment in this country and that it is obviously impossible at such a time to create another force which will make the demand on our equipment even heavier than it is. Sir, while I do not minimise the force of this objection, I cannot admit that it is conclusive and that we can do nothing at the present time but just wait on events. We may not have an abundance of modern rifles but rifles of all kinds can be found in the country. Why should it be necessary to arm the Home Guard with up to date rifles? If they could be had it would be an excellent thing but if they cannot be had why should we not use any old rifles that the Government of India may have. Secondly, Sir, there must be in the possession of the people a certain number of firearms and they can be useful at this juncture, even though they may be obsolete. Firearms not of military specifications are being used in Australia. If the Government call them in by appealing to the patriotic sentiments of their holders I have no doubt that they would receive every help from the people concerned. Then again, Sir,—

THE HONOURABLE THE PRESIDENT : Please bring your remarks to an end. You have already exceeded your time.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU—perhaps the States will be able to come to our aid. They may have supplies of rifles, whether old or new, which would be extremely useful to us, rifles which the military authorities have scrapped but which the Home Guard nonetheless may be able to make good use of.

Apart from this, Sir, there are other kinds of weapons that may be used ; for instance, hand grenades or even such things as " Molotov cocktails ". " Molotov cocktails " may be useful in dealing with the enemy armoured cars and vehicles and as their manufacture is not complicated as they consist, broadly speaking, of a glass bottle about a pint in size containing an inflammable liquid, it should not be very difficult to produce them in this country. In these, and in other ways, Sir, I venture to submit that the Government of India can still do something. Besides the Home Guard has exceedingly important duties to perform which do not require the use of rifles. This is an additional reason for creating a body of the kind mentioned in my Resolution. Sir, the position is a difficult one. We must, therefore, be prepared to brush aside objections, to overcome difficulties, and do whatever we can at this juncture to meet a situation of exceptional gravity. If such a Resolution had been moved two or three years ago it might have been legitimate for the Government to say that they did not possess the necessary equipment. Today such a reply would not be enough. It would convict the Government of India of a desire not to do anything. If they trust the people, if they are prepared to appeal to the patriotic sentiments of Indians, and if, taking their courage in both hands, they are willing to come forward and create a people's army, I am sure that in spite of the serious disadvantages we are suffering from a strong Home Guard can be established at the present time, which may be able to render great services to the country.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan) : Sir, I shall be very brief. I just rise to express my support to the Resolution so ably moved by the Honourable Dr. Kunzru. The only criticism that appears to me of this Resolution is that perhaps we are considering this question a little too late, when the enemy is already at our doors—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Not at all. It was created at such a time of danger in England.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA : What I feel is that Government ought to have been thinking of creating a Home Guard much earlier. But have we not seen in this House, only a few months ago, Resolutions like the raising of the University Training Corps being opposed by the Government? Naturally, therefore, a Government which even when the war was on did not think of training the students in the Universities how to make themselves useful in a situation like the present one could never have felt that it was their duty to create a Home Guard in this country.

I am thankful to the Honourable Dr. Kunzru for having cleared my doubts with regard to the difference between the Home Guards and the Civic Guards. I have seen something of these Civic Guards in my province and I can say that they are not likely to prove of much use in times of approaching dangers which we may have to face. I have also noticed that in many places, where Government fixed a limit of, say, 60 Civic Guards in a district, the district officers have not been able to recruit more than 20 or 30. In my own district where the Government of Bihar fixed a limit, I think, of about 60 or 70, we still have not got more than about 40 Civic Guards and these as well of not a very commendable type. The reason for this is not distant to seek. The reason is inherent in the distinction between the Home Guards and the Civic Guards and this is also what prevents the type of people whom you want to the Civic Guards and this is also what prevents the type of people whom you want to come forward and join the Civic Guards from coming forward to do so. The Civic Guards are, as was pointed out by Dr. Kunzru, an adjunct to the police force. You want them to march under the orders of ordinary jamadars in the police thanas. You cannot expect people who come from respectable classes to take orders from illiterate jamadars. Therefore, what is essential is not to flatter yourself, not to feel complacent that you are doing enough for the safety of the country by the creation of Civic Guards but to take upon yourself the task of the formation of these Home Guards on proper lines which will be of some use to us during the time of need.

[Rai Bahadur Sri Narain Mahtha.]

There is also one very important thing which is rather of a psycho-political character. The Indian so far has not been made to feel that he is called upon to defend his home, to defend his country or to defend his independence which will be his today or tomorrow. The Indian naturally at the present time feels that he is being called upon to defend his chains, his present servitude and that *status quo* is what you want to maintain in future. Unless the Government come forward with a bold declaration that Indians are free and that they are being called upon to defend their home and their independence and not to defend their chains, you will never find in this country response for anything. You must always remember this and also that Civic Guards are no use. You must have Home Guards. Train them properly on the British lines, as pointed out by the Honourable Dr. Kunzru and make the Indians feel that it is of importance to them as free men and women to resist the enemy and not as slaves to whom it may really mean only a change of masters. I wanted to tell the Government very plainly these things and that is the only reason for my intervention in this debate. Before I sit down I would like to ask one question which the Government Member may reply to, and it is this. I would like to know what time it takes in England to train these Home Guards. That was one point which the Honourable Dr. Kunzru did not touch upon.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : I will be very, very brief, Sir. I should like to lend my support to the Resolution which has been moved by my Honourable friend Dr. Kunzru. He has pointed out that we are placed in the same situation which faced England after the collapse of France and that Home Guards were instituted in England after that collapse. He has explained the nature of the duties of these Home Guards. I do not think I should be adding usefully to the discussion in the Council if I were to state over again what has been stated by him so eloquently. I would, however, towards war questions on the part of the Opposition. The Honourable the Leader of the House—I hope, Sir, he will some day be the Leader of the Opposition here—yesterday and today reminded us that this was war time and questions can only be answered in secret session—

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : I did not say that.

THE HONOURABLE MR. P. N. SAPRU—or that we should expect even very obvious criticisms to be answered only in secret session.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : No, no.

THE HONOURABLE THE PRESIDENT : He said that you can conveniently reserve your remarks for that session. That is all.

THE HONOURABLE MR. P. N. SAPRU : I know that in the British House of Commons they have had some secret sessions. But I like to read whenever I can the copy of my *Hansard* and I claim to be a fairly close student of international affairs. I find that much more plain speaking is done in the British House of Commons than is done in the Indian Legislature. I would like to remind him of the speech which was delivered by an ex-Premier of England, Mr. Lloyd George, after the fall of Narvik. I would like him to read the speeches today of Mr. Hore Belisha who was a Minister of the Crown and who held the responsible post of Secretary of State for War. I should like to refer him to the speeches of Mr. Shinwell, who was Secretary for Mines. He may be an extreme Labourite but there is another extreme Labourite in the Cabinet today.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Your standard is higher,

THE HONOURABLE MR. P. N. SAPRU : Our standard in every respect, including that of the Executive Council, is lower. We like to live in a world of absolute unreality and we have created for ourselves a world which has no relation to the larger world of which we are a part. The British official, the Indian official, the Government Benches, the Opposition Benches, all like to live in the Fifth Century B. C. They cannot get away from the Fifth Century B. C. I think in some parts of the world there was more progress in that era than there is today in the Government of India. That is what I feel, and I have been provoked to make these remarks by the Honourable the Leader of the House, for whom I have personally very great esteem.

Well, Sir, I find that a man like Sir George Schuster, who is fairly conservative, has been making some very pungent criticisms about the Government's production programme. He made the other day I think a speech in Leeds in which he said that the production programme of the Government of Mr. Churchill was all wrong, that they had messed things up, that the profit motive was not working properly in industry, that the system of control was not right. All these things are being said by English politicians and our Leader of the House does not lecture to them but he lectures to us for asking very obvious and simple questions.

THE HONOURABLE THE PRESIDENT : Will you please discuss the Resolution ?

THE HONOURABLE MR. P. N. SAPRU : What is the number of prisoners in Malaya ? Surely the Japanese know exactly the number of Indians captured by them and you will not be helping them by telling us the number of Indians captured in Singapore. Sir, all this is not the way to enlist our co-operation. If you wish to enlist the wholehearted co-operation of this country you must, even at this late hour, change your ways ; because it is my firm conviction that England can win this war and will win this war if she de-imperialises herself. That I think is the basic issue. The basic issue is political. If you can settle the political issue you will be able to have Home Guards—

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : On a point of order, Sir. The Honourable Member has been taking us to task for not answering a certain question. If he will kindly read what was asked in that question, he will find it was the number of troops in Malaya and not the number of prisoners that he wanted to know.

THE HONOURABLE MR. P. N. SAPRU : Sir, I am rather surprised at the statement of the Honourable the Leader of the House. It has been given out that 73,000 troops surrendered in Singapore. I am not giving out any war secret. Some figures were also given of Indian troops and Australian troops. If he were the Leader of the House in the Australian Cabinet and he had refused to tell the Australian people what the number of men who had suffered in Singapore was I doubt if the Australian Parliament would have tolerated him for a minute.

THE HONOURABLE THE PRESIDENT : Order, order. The Honourable Pandit Kunzru was entitled to deal and he dealt in his speech with reference to this matter ; but I am not going to allow every Member to go outside this Resolution and discuss matters which are entirely foreign to this Resolution.

THE HONOURABLE MR. P. N. SAPRU : Thank you, Sir, for reminding me that I have to speak on this Resolution.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : May I say in all fairness to this side of the House that my Honourable friend the Leader of the House got up and tried to make things worse by saying that we asked for information not with regard to the troops captured in Malaya but the number of troops in Malaya. Does he mean to say that there are any troops in Malaya which are under the control of His Majesty's Government or the Government of India ? What is the difference

[Pandit Hirday Nath Kunzru.]

between the troops in Malaya and the troops captured in Malaya? I can only say that if this is the level of intelligence of the Members of the Executive Council the country cannot congratulate itself on its Executive Council.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: The Honourable Member has forgotten his question. He asked us how many troops had been evacuated from Malaya. How can we tell him that?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: That was the second question. The Honourable Member should read my questions first.

THE HONOURABLE MR. P. N. SAPRU: Sir, the Home Guards provide a force that, unlike the army, should make itself felt, and the Home Guards become part of the army only when they become regulars. The principal function of these Home Guards is to guard the country against a certain technique which has been developed by Nazi Germany. She has been relying not only upon her superior military forces; she has also been relying upon fifth column activities and she tries to organize a strong fifth column in every country she intends to overcome. We do not want this fifth column activity to flourish in any shape or form in this country because we are clear in our ideology. I am not quite sure that the so-called loyalists of the Government are so clear in their ideology as we are. I was talking to the chauffeur of a gentleman who was a great pillar of the British Raj after the collapse of France. He said, "What is happening, Sir, in France?" He was worried. He assumed that Britain would be defeated, but he said, "So far as I am concerned, my job is quite safe. My boss has done very well under the British Government. He has got titles, he has got honours and contracts and so many other things from the British Government, and when Hitler comes here I am quite sure he will be the first to visit him and he will garland Hitler and say, 'I am very sorry, the British forced me to help them, but now I will help you'." That is the loyalty of the loyalist class in this country. So far as the educated and thinking classes are concerned, they have certain loyalties because they believe in certain ideals, the ideals of freedom, of democracy and social justice. And therefore, Sir, I would like this war to be converted into a peoples' war, and if you have institutions like the Home Guards you will be converting this war into a peoples' war. For that reason, Sir, I support this Resolution.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I am not sure if the exact position of the Home Guard in the United Kingdom is realised by Honourable Members. The Home Guard in the United Kingdom is a military organisation which is under the War Office and is armed and trained under its supervision and control. It is called the Home Guard, but it might just as well be called the Territorial Army. In pre-war days we had a Territorial Army in the United Kingdom which was originally intended for home defence. At the outbreak of this war the territorial army was incorporated into the regular army and assumed full liabilities for service in any part of the world. Its place in the home organisation has been taken by this Home Guard and the Home Guard is just the same as the old territorial army. Much the same thing has happened in India. We had a territorial force at the beginning of this war and now a very vast majority of the officers and men of our original territorial force have become regular units and what remains of them, for certain legal reasons I understand, remains only in name. If it was possible for us to re-raise it as a territorial force or Home Guard, we should be very glad to do so. But here my Honourable friend the mover of the Resolution has anticipated very correctly what I am going to say. We are extremely short both of equipment and instructors and we need all we have got and all that we can see coming forward for the expansion of the regular army and in the term "equipment" I include rifles about a plethora of which there has been a very great deal of misapprehension. We are very short of rifles, so much so that a part of the military units are at the present moment using

captured Italian rifles. What we are doing in brief is we are raising our new formations as rapidly as we can train them, arm them and equip them and in our assumption the Home Guard of India is its regular army which is growing every day and which is being joined by large classes all over the country who were not previously enlisted. I would like to say that the only difference between the Home Guard in the United Kingdom and the old pre-territorial force is that men are taken into the Home Guard who are often much older than the normal military age. That is because man-power in England is very short and we are compelled there to use anybody who is sufficiently fit physically for local defence. Those conditions do not at present obtain in India and while we have considerable quantities—large quantities of young men—there is no need for us to enlist old ones. In view of the explanation I have given, Sir, perhaps the Honourable Member will withdraw his Resolution; if not, I must oppose it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Mr. President, His Excellency the Commander-in-Chief has given the answer that I expected and which anyone could expect from the general character of the Government of India. The answer to every demand of ours is either that the time for it has not come or that it must not be conceded because the situation in this country is different from that of England. His Excellency the Commander-in-Chief dealt very briefly with the position of the Home Guard in England. I wonder whether I said anything tending to show that the Home Guard was under the control of the civil authorities. I think everyone among us knows that the Home Guard is under the control of the War Office but it is different from the regular army and from the descriptions of the Home Guard that have been given in books and by responsible British public men it does not appear that they are just the territorials under another name as His Excellency has said.

Sir, His Excellency the Commander-in-Chief has told us today that there is a serious shortage of rifles in this country. But I wonder whether the situation in respect of equipment in England in June and July, 1940 was a very hopeful one. I do not know what the exact situation was, but judging from what was said in the press it seems to me that it was pretty nearly as bad as the position in India today. If in spite of these difficulties England created a Home Guard and directed all its energies to the manufacture of the necessary equipment, I see no reason why the Government of India should adopt a purely obstructive—I may say a defeatist—attitude and tell us that nothing more can be done than is being done by the authorities at the present time. If the Government of India cannot do any more, why should they make appeals daily to the civilian population to come forward to help them? How is the civilian population to help them, how is its morale to be strengthened, how is it to help in making the defences of the country stronger? I should have thought that bearing in mind that an organisation like the Home Guard has had to be established not merely in England but in some other freedom-loving countries and taking advantage of the experience of these countries the authorities are ready to establish such a force in this country also. But evidently they are not prepared to abandon their old policy of distrust. His Excellency the Commander-in-Chief said to us in his closing observations that in India the expanding army should be regarded as its Home Guard. It would be a stroke of temerity on my part to question the soundness of His Excellency's view. Nevertheless, I venture to point out that the reason for the creation of the Home Guard is that no army, however large, can take the place of the Home Guard. Yet His Excellency the Commander-in-Chief doubtless knowing fully the circumstances in which the British Home Guard was created and the reasons which led to its creation asks us to accept the view that when an army is sufficiently large it may be regarded as the country's Home Guard. Sir, however large the Indian Army may be, it can never take the place of an Indian Home Guard, because the regular soldiers cannot be present in every town and in every village to meet danger in the various forms in which it may make its appearance. How can the regular forces, for instance, deal with the fifth columnists who may be carrying on their propaganda in subtle ways everywhere? This is at least a thing which can be done only by members of the civil population

[Pandit Hirday Nath Kunzru.]

who alone are in a position to defend their national interests against the machinations of those who have decided to throw in their lot with the enemy.

Sir, I do not think that the reason given by His Excellency the Commander-in-Chief, namely, the shortage of equipment, is cogent enough to warrant his opposition to my Resolution. It seems, Sir, that realising that the Home Guard, which has been called a " People's Army " can be created only when the people are given the feeling that they are fighting for their own country, he is not prepared to create such a body in India where the existing form of government is far from being national. The reasons, the real reasons, it seems to me, for opposition to my Resolution are therefore political and not military.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : No, no.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Had the Government been in sympathy with our national demand (*An Honourable Member* : They are.) The Honourable Member is very credulous. Had it been prepared to take a lead in stimulating the national consciousness of the people I am sure that it would have welcomed my Resolution and indeed been anxious to accept it, but it is obvious, Sir, that so long as the political outlook of the British authorities continues to be what it is, so long as they regard India as their estate, so long as they consider their own interests to be of greater importance than the interests of the people of this country, there is no chance of their accepting any Resolution of the kind that I have moved. If there is shortage of equipment today it is due to their own past policy. If what is published in newspapers is correct, they have not even fully carried out the recommendations of the Roger Commission. At any rate, they were guilty of a great deal of delay in executing such of the projects as have been set on foot. One would have thought that realising their own responsibility for the present state of things, realising that their own past policy had placed India in a perilous situation, they would join hands with the people in taking all possible steps to make them feel that the interests of the Government were the same as those of the people of the country and strengthening the defences of the country, but the attitude of His Excellency the Commander-in-Chief shows that the outlook of the British authorities has not changed during the last quarter of a century, or I might say during the last half a century. It is obvious, therefore, Sir, that my Resolution cannot commend itself to the authorities, but I cannot oblige His Excellency the Commander-in-Chief by withdrawing it. I know that it will be defeated but I must ask you, Sir, to put it to the vote to mark our protest against the attitude adopted by the authorities.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, I do not deny the desirability of a Home Guard, but I have tried to make clear what is at the present moment a deciding factor, and that is lack of equipment and lack of instructors, all of which are required for the raising of our new formations which at the present moment, I consider, take the place of any Home Guard (Hear, hear) and surely the Honourable Member does not wish us to divert those instructors and that equipment from the troops which we are now raising. When and if our military needs have been satisfied I for one would most certainly not oppose the formation of a Home Guard. (Hear, hear.) At the present moment it is physically not possible to do it.

THE HONOURABLE THE PRESIDENT : Resolution moved :—

" This Council recommends to the Governor General in Council that in view of the seriousness of the situation immediate steps be taken to form a Home Guard for the defence of the country and that it should be trained on the same lines as the British Home Guard. "

Question put and Motion negatived.

(The Honourable Mr. G. S. Motilal was not present to move the Resolution against his name.)

STATEMENT OF BUSINESS.

THE HONOURABLE MAJIK SIR FIROZ KHAN NOON (*Leader of the House*) : Sir, I suggest that we meet next on Tuesday, the 10th, to consider and pass the following four Bills :—

1. A Bill further to amend the Indian Penal Code ;
2. A Bill further to amend the Cotton Ginning and Pressing Factories Act, 1925 ;
3. A Bill to provide for the extension of the time limited by or under the Indian Patents and Designs Act, 1911, for the doing of acts thereunder ; and
4. A Bill to extend the date up to which certain duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect.

The Council then adjourned till Eleven of the Clock on Tuesday, the 10th March, 1942.

COUNCIL OF STATE.

Tuesday, 10th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

OIL SUPPLY.

116. THE HONOURABLE MR. G. S. MOTILAL : (a) Where are the oil wells situated in Burma ?

(b) How much oil supply from Burma will be cut off on account of this war ?

(c) How much more of it is expected to come from Iran and Syria ?

THE HONOURABLE SIR ALAN LLOYD : (a) In Yenangyaung, Yenangyat, Singu and Minbu oilfields.

(b) and (c). It is not in the public interest at the present time to furnish the information asked for.

INDIAN TRADERS IN GARHWAL, ETC.

117. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : (a) Is it a fact that Indian traders of Garhwal, Almora, Ladak, Kashmir, Nepal and other places have trade marts reserved for them in Western Tibet ?

(b) Is it a fact that in summer last a gang of robbers, numbering about 6,000 committed depredations causing serious loss to the trade between India and Tibet ? If so, what steps have Government taken or propose to take to stop the threatened danger to Indian trade with Tibet ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : (a) By virtue of Article II of the Convention of 1904 and the Anglo-Tibet Trade Regulations of 1914 Indian traders have the right to trade in Tibet at three recognised trade marts, namely, Gartok, Gyantse and Yatung.

(b) The Honourable Member is referred to the reply given by the late Right Honourable Sir Akbar Hydari to his question No. 132 asked on the 18th November, 1941. The Kazaks were at first placed in a camp at Muzaffarabad in Kashmir State but, under arrangements made by the Government of India with the North West Frontier Province Government are now being moved to the Hazara District of the North West Frontier Province. They no longer constitute any threat to Indian trade with Tibet.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Why have these Kazaks been allowed an asylum in India ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : What would you do with them ? Shoot them ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is for the Government to decide. We do not want such people in our territory. Is not it the duty of the Government to push them back beyond the border ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : They are in Kashmir which is outside the jurisdiction of the Government of India and they are refugees from their own country and it has taken them weeks and weeks and months and months to come. They had originally 28,000 head of cattle out of which about 6,000 or 8,000 are left. Even if you put 3,000 or 4,000 refugees in aeroplanes and throw them across the border, you could not convey cattle by aeroplanes. It is ordinary international law when people from one country move into another because of oppression in their own country, they are received with some sort of civilised and humanitarian feelings of sympathy and friendliness and the people of India cannot turn round against the people and begin to shoot them down.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Who suggested that these people should be shot down ? Did the Honourable Member hear me make that remark ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : If they do not go, how can you get rid of them ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : It is for the Government of India to drive them out.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : What does that mean ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Are the Government of India so helpless ? And have they satisfied themselves of the character of the people whom they have retained in this country ?

THE HONOURABLE MR. HOSSAIN IMAM : Mr. President, with your permission, I will ask a supplementary question. Do the Government contemplate making any arrangements for their settlement ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : So far what the Government have done is that they have made arrangements for them to be given an asylum in British territory in the North West Frontier Province and when once they have arrived there, no doubt then we shall think of dealing with them in a permanent way. Government would naturally want these people to go back to their own country if we can possibly manage it, but since these people are refugees from persecution in their own country, thousands of miles away by road, it is almost impossible to think that these people will be willing to go back. If they are willing, we shall certainly let them go back. But Government are not willing to force them to go back against their will and therefore when they have found an asylum in British territory the next step would naturally be for Government in collaboration with those who have any sympathy with them to try and settle them permanently. They come from a climate which is cold and you cannot dump them into a hot climate where they may die. A great many of them have died in Kashmir on account of the cold and camp life ; and a goodly part of their cattle are dead ; about one-quarter are perhaps left alive. As soon as they are settled in the Frontier, you can rest assured the Government will do their utmost to treat them in as humane a manner as possible.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : May I ask, Sir, whether Government are doing anything in connection with the settlement and future living of the evacuees from Burma and Malaya ? I venture to put this question in view of the concern of the Government for these people who do not belong to India at all and who happen to come here as refugees, whose character we are not at all sure of.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : The Honourable Member may rest assured that the Government will discharge their duties towards all people, and particularly towards their own citizens, when they come to this country.

THE HONOURABLE MR. HOSSAIN IMAM : Do the Government contemplate to expedite this settlement ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : All steps are being taken to expedite the moving and settlement of these people in the North West Frontier Province. Once they are in British territory, we shall be able perhaps to act more quickly. But I know that there are other organisations also interested in the welfare of these people. I have personally had several talks with Shaikh Muhammad Abdulla, the Muslim leader of Kashmir ; the Mussalmans of Kashmir are themselves taking an interest in the welfare of these people. They have collected tents and food and they are helping them. I know that there are other Muslim organisations also which are wanting to help these people. The Muslims on the Frontier I am told are eager to take all these people into their villages and give them asylum. Eventually the thing will be solved and as many as are left alive when they reach British India will be helped.

MR. WILLIAM BULLITT.

118. **THE HONOURABLE RAJA YUVERAJ DUTTA SINGH :** Is it a fact that Mr. William Bullitt, the United States Special Envoy, has visited or is planning to visit India in connection with American aid to India ? If so, will Government give some details of the object of his visit without detriment to public interests ?

THE HONOURABLE MR. A. DEC. WILLIAMS : *First part.*—Government are aware of reports to the effect that Mr. Bullitt was about to visit India. To the best of their belief, he has no intention of visiting India at present.

Second part.—Does not arise.

THE HONOURABLE MR. HOSSAIN IMAM : Is it a fact that Colonel Lewis Johnson is coming in his place and what arrangements have Government made for him ?

(No answer was given.)

INDIANS IN HONG KONG.

119. **THE HONOURABLE RAJA YUVERAJ DUTTA SINGH :** Will Government state approximately the total number of Indian subjects in Hong Kong before the outbreak of the Japanese war, the number evacuated before the surrender, the number of Indians killed, wounded or imprisoned by enemy action as well as the number of Indians finally repatriated, if any ?

THE HONOURABLE MR. G. S. BOZMAN : The Indian population in Hong Kong was estimated at 4,735, including 1,270 in the Defence Forces at the end of 1931. I regret that information on other matters referred to by the Honourable Member is not hitherto available.

THE HONOURABLE MR. HOSSAIN IMAM : Have Government taken any steps to find out other particulars asked for in the question ?

THE HONOURABLE MR. G. S. BOZMAN : Yes, Sir. Steps are being taken. Government are attempting to establish means of communication with territories now over-run or occupied by the Japanese.

THE HONOURABLE MR. HOSSAIN IMAM : Who is the Protector of Indians in Hong Kong ?

THE HONOURABLE MR. G. S. BOZMAN : I am not certain that there is a protecting power so far as Hong Kong is concerned. The position is not entirely clear. But, as I have already stated, the Japanese Government have agreed to Switzerland being the protecting power for Occupied China. Whether Hong Kong is considered to be Occupied China or not by the Japanese Government I am afraid I am not in a position to say.

INDIANS IN BURMA.

120. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state approximately the total number of Indians in Burma before the outbreak of the Japanese war, the number of Indians killed, wounded or imprisoned by enemy action, the number of Indians evacuated to this country since then, and the total number of Indians now remaining in Burma ?

THE HONOURABLE MR. G. S. BOZMAN : The population of Indians in Burma was 10,17,825 according to the 1931 Census, but no estimate of the Indian population now in Burma is available.

Regarding air raid casualties in Burma, reports received show that 1,102 persons were killed and 1,650 injured in the two heavy air raids on Rangoon, and that 38 persons were killed and 80 injured in Moulmein. The majority of them are believed to have been Indians. The number of Indians evacuated from Burma by sea as well as by the land routes before the middle of February was estimated at about 65,000.

IMMIGRATION RESTRICTIONS ON THE ENTRY OF INDIANS INTO ADEN.

121. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state approximately the total number of Indians in Aden before the outbreak of the German war, the number of Indians evacuated since then, and the number of Indians now remaining in Aden ? Has any restriction been recently imposed on the entry of Indians in Aden ; if so, to what extent and why ?

THE HONOURABLE MR. G. S. BOZMAN : A statement showing the restrictions imposed on the immigration of Indians into Aden as recorded in Minute 3 of the meeting of the Executive Council of Aden, dated 26th September, 1941 and as amended by Minute 4, dated 31st December, 1941, is placed on the table of the House.

The restrictions are of general application and are intended purely as a temporary measure for the present emergency. The restrictions apply equally to all British subjects. The Governor of Aden has explained that when the period of danger has passed Indians will once again be welcome to Aden but that for the present it is necessary to restrict the population in the Colony so as not to aggravate war-time problems of food supply, air raid precautions and so forth. Information regarding the number of Indians in Aden before the outbreak of the war, the number evacuated since then and the number now remaining in Aden has been called for and a statement will be laid before the House when it has been obtained.

Extract Minute 3 of Executive Council Meeting of 26th September, 1941, embodying the amendments recorded in Minute 4 of Executive Council Meeting of 31st December, 1941.

(a) That new-comers should not be permitted to come to Aden for the purpose of starting a new business unless it is approved by the Government as contributing to the war effort ; the term " new-comers " to include those whose businesses have been closed and stocks disposed of.

(b) That employees not normally resident in Aden should not be permitted to come to Aden unless replacing employees leaving the Colony either for good or on leave or unless their services are for work approved by the Government as contributing to the war effort, and that the employer must sign a bond binding himself to ensure that the person being replaced leaves Aden forthwith, the amount of the bond to be forfeited if he fails to leave.

(c) That joint managers of businesses, or partners not normally resident in Aden, should not be permitted to come unless (1) replacing another partner going on leave, or (2) visiting their business for a stated period not exceeding six months.

(d) Rescinded.

(e) That employers must sign a bond for an amount sufficient to pay for the employee's repatriation if he is required to leave the Colony and if the cost of repatriation is irrecoverable from the Government of India.

(f) That the employer and the employee not normally resident in Aden and who arrived after the date of this restriction (26th September, 1941) should be given to understand that in the event of the employee ceasing to be employed by him he will be required to leave the Colony forthwith, and not permitted to take employment elsewhere.

(g) That new-comers may not bring with them any dependents ; residents may bring back their wives and children but no other relatives unless they are of Aden registration and are incapable, either on account of age or proved disability, of supporting themselves and the fact of their being obliged to remain in India would involve expense and consequent hardship to the person in Aden on whom they are dependent. After six months' residence applications from new-comers to bring wives and children will be considered in the light of the military situation.

(h) The application of these restrictions to persons coming from India will be dealt with by a Board consisting of the Passport Officer, the Commissioner of Police and the Chief Indian Magistrate.

(i) That the existing condition, that Government be re-imbursed for any expenditure on the evacuation of any applicant, should be retained.

LENGTH OF RAILWAY LINES DISMANTLED FOR PURPOSES OF THE WAR.

122. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state approximately the total number of miles of Indian railways dismantled for war purposes up to date, and the capital value of the same ?

THE HONOURABLE MR. S. N. ROY : As regards the length of lines the Honourable Member is referred to the speech of the Chief Commissioner for railways in presenting the Railway Budget. Excluding a line in an Indian State and a forest tramway, the construction cost was about Rs. 6½ crores.

THE HONOURABLE MR. HOSSAIN IMAM : What part of this has been recovered from the War Office or the India Office ?

THE HONOURABLE MR. S. N. ROY : I am not quite sure, Sir, what amount has been recovered but the dismantled lines which have been sold to the Defence Department are estimated to realise about Rs. 128 lakhs.

THE HONOURABLE MR. HOSSAIN IMAM : May I know, Sir, the price per ton that has been fixed.

THE HONOURABLE MR. S. N. ROY : I am afraid I have not got the information, Sir.

BRITISH CURRENCY, ETC., IN JAPANESE OCCUPIED TERRITORIES.

123. THE HONOURABLE MR. M. N. DALAL : (a) Will Government state what action has the Japanese Government taken with respect to local British currency, local British Government securities, and bullion possessed by Indian nationals in Japanese occupied territories ?

(b) Have the Japanese enforced the conversion of the above into Japanese currency ? If so, at what rate of exchange ?

THE HONOURABLE MR. G. S. BOZMAN : Government have no information.

EMPLOYMENT OF WOMEN IN PUBLIC SERVICES BY THE MADRAS GOVERNMENT.

124. THE HONOURABLE SIR DAVID DEVADOSS: Will Government state—

- (i) whether any petition was received in August, 1940, from Sri M. A. Janaki, B.A., B.L. and Sri M. A. Krishnammal, B.A., B.L., Advocates, Madras, regarding the employment of women in public services;
- (ii) whether the same was returned to the petitioners on the ground that it should be submitted through the local Government;
- (iii) whether Government is aware that when the petitioners submitted the petition to the local Government to be forwarded to the Central Government, the local Government withheld the same;
- (iv) whether it was with the approval of the Central Government, express or implied, that the Madras Government refused to forward the petition to the Central Government; and
- (v) whether there is a general bar in Madras against the employment of women in public services except with regard to specific services or posts?

THE HONOURABLE MR. E. CONRAN-SMITH: (i) to (iii). Yes.

(iv) No.

(v) The Provincial Governments are empowered to specify, by any general or special order, any services or posts under their control for appointment to which women may be declared ineligible. Government of India are not aware of the services or posts in Madras for appointment to which women are ineligible as the matter is one entirely for the Provincial Government to decide.

EMPLOYMENT OF WOMEN IN THE JUDICIAL DEPARTMENT OF THE MADRAS GOVERNMENT.

125. THE HONOURABLE SIR DAVID DEVADOSS: Will Government state whether it is aware that the Advocates' Association, High Court, Madras, has passed a resolution on 9th December, 1941, to the effect that ladies having been admitted into the legal profession, there should be no objection on principle to their being appointed to the posts of District Munsiffs or other offices in the Judicial Department on the ground of their sex?

THE HONOURABLE MR. E. CONRAN-SMITH: Government have no information.

ISSUE OF DIRECTIONS TO PROVINCIAL GOVERNMENTS IN THE MATTER OF EMPLOYMENT OF WOMEN IN PUBLIC SERVICES.

126. THE HONOURABLE SIR DAVID DEVADOSS: Will Government state whether it has issued any general instructions to the Provincial Governments with the object of giving full effect to section 275 of the Government of India Act? If it has not been done, do they contemplate doing so at least to Provincial Governments functioning under section 93 of the Act?

THE HONOURABLE MR. E. CONRAN-SMITH: The Government of India have not issued any general instructions in the matter to Provincial Governments nor have they any authority to do so.

INDIAN AUDIT AND ACCOUNTS SERVICE EXAMINATION.

127. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) Is it a fact that candidates appearing at the competitive examination for the Indian Audit and Accounts Service cannot offer Politics, Hindi, Urdu and Law as their optional subjects under the rules?

(b) Are these subjects allowed to be taken up by candidates for the I.C.S. examination?

(c) Do Government contemplate allowing these subjects to be taken up by candidates appearing for the Indian Audit and Accounts Service examination?

THE HONOURABLE MR. C. E. JONES: (a) Yes.

(b) Yes.

(c) Government have already considered on several occasions in the past, in response to requests from various bodies and individuals, the question of adding further subjects, including Politics, Law, Hindi and Urdu, to the syllabus of the examination for the Indian Audit and Accounts and allied Services. It has been decided in consultation with the Federal Public Services Commission, that no additional subjects should be brought on to the syllabus unless they are of special use in testing the suitability of the candidates for the Services which are recruited through this examination. In the light of this decision it does not appear to be necessary to add these subjects to the syllabus.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Are subjects like Chemistry and Physics likely to enable the Government to test the ability of the candidates for the work that they will be called upon to perform?

THE HONOURABLE MR. C. E. JONES: Broadly speaking, Sir, the subjects included in the syllabus are regarded as suitable for testing the suitability of a candidate for these services.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask, Sir, if any other modern language is included in the syllabus than English?

THE HONOURABLE MR. C. E. JONES: I am sorry, Sir, I have not the syllabus with me to refer to; so I am not able to speak with any authority.

THE HONOURABLE MR. HOSSAIN IMAM: Do we take it, Sir, that Government is not prepared even to examine the question whether all the subjects which are necessary are included?

THE HONOURABLE MR. C. E. JONES: I do not know what the Honourable Member quite means, but the position is, as I have said, that there is a very broad syllabus already which is considered suitable for testing the suitability of the candidates who are recruited through this examination, and that it has been considered undesirable to swell the syllabus further except for special reasons.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: On what grounds have Government come to the conclusion that subjects such as Chemistry and Physics provide a better test of the ability of the candidates than subjects like Politics and Law?

THE HONOURABLE MR. C. E. JONES: I am not prepared to answer that question, Sir, because if you apply a microscope you will always find border-line cases. The syllabus is a very broad one. It is so comprehensive that it stretches the resources of the Commission to the full to hold this examination. Any increase would add to the complexity and expense of holding this examination, and it is not

considered desirable to swell the syllabus further except for the addition of any particular subject which is considered especially suitable for the examination.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is the number of candidates for this examination larger than for the I.C.S. examination ?

THE HONOURABLE MR. C. E. JONES : Considerably larger, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Can the Honourable Member give us comparative figures ?

(No reply was given.)

THE HONOURABLE MR. HOSSAIN IMAM : Is it a fact that this examination is a combined examination with other examinations as well, or is it held only for the Audit and Accounts Service ?

THE HONOURABLE MR. C. E. JONES : I think the Honourable Member knows the answer to that question. It is an examination for the Indian Audit and Accounts Service, the Military Accounts Department, the Imperial Customs Service, the Railway Transportation Department, the Railway Accounts Service and the Postal Superintendents' Service.

EXTENSIONS OF SERVICE GRANTED TO RAILWAY OFFICERS.

128. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : (a) Is it a fact that several officers on the E.I.R. and N.W.R. who will attain the age of 55 this year have been allowed to continue in service ?

(b) If so, will Government give the names, designation and salary of such officers, the date on which they will retire, the period of extension of their service and their salary during the period of extension ?

(c) Have Government considered the effect such extension will have on the prospects of the officer still in service ?

THE HONOURABLE MR. S. N. ROY : (a) Yes.

(b) I lay on the table a statement giving the information required.

(c) Yes, but as against 41 officers of State-managed Railways to whom extensions have been granted, more than 150 officers have had to be released for war service. It is evident that the grant of extensions to selected and experienced officers, in such circumstances is unavoidable, if the efficiency of the administration is to be maintained.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, may I know whether these officers have been allowed to retain their old status or whether they will be asked to work in a position of less importance ?

THE HONOURABLE MR. S. N. ROY : They have been granted extensions of service in the positions which they hold.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : Do the Government propose to give extension to those officers who would retire after one year and would have been benefited if the gentlemen who retire had not been given extension ?

THE HONOURABLE MR. S. N. ROY : I regret, Sir, I cannot answer a hypothetical question of that kind.

THE HONOURABLE MR. HOSSAIN IMAM : May I point out, Sir, that if a man is retained in a position while he also gets an extension as a compensation for—

THE HONOURABLE MR. S. N. ROY : I do not think, Sir, because the criterion is to keep a particular officer in employment in the interest of efficiency, and when the Honourable Member has seen the statement which I am proposing to lay on the table he will be able to see how these extensions have been given.

THE HONOURABLE MR. HOSSAIN IMAM : May I know, Sir, whether the people just below are inefficient and they cannot hold the post which is being held by the incumbent ?

THE HONOURABLE MR. S. N. ROY : I do not think that is a fair inference to draw from what I have said. There is no question of the person down below being inefficient. It is a question which arises with reference to each case as to whether that person should be continued in the service because of his experience and whether the efficiency of the service would be maintained thereby. That is the only criterion against which these cases are examined.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : Would the Government be prepared to compensate those people who would have benefited by the retirement of the present officers in cases where they have given them extensions ?

THE HONOURABLE MR. S. N. ROY : I do not think that question arises, Sir, because so far as the appointments are selection appointments nobody has a right to be appointed to those particular posts. So far as the other categories are concerned, as a result of the deputation of a number of people to war service the general prospects of the men down below have been improved. Actually, there are many more people drawing senior scale pay at the present moment than would have been possible had there been no war.

THE HONOURABLE MR. HOSSAIN IMAM : May I ask the Honourable Member to lay on the table a list of those officers who have been placed on war service ? That will show something.

THE HONOURABLE MR. S. N. ROY : There are 150 of them. If the Honourable Member will put down a question, I will look into that.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Do Government consider the desirability, while retaining the services of these men, of removing them from their present position so that they will not be a bar to the promotion of other people ?

THE HONOURABLE MR. S. N. ROY : In one or two cases that has been done. But, of course, as I explained before, we have to consider with reference to the particular post which he has held whether it is necessary to continue him in it and public interest must come first.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Am I to understand that Government came to the conclusion that none but the persons whose periods of service have been extended could be employed in the posts held by them consistently with efficiency ?

THE HONOURABLE MR. S. N. ROY : I prefer to put it in my own way, namely, that in the general interests of efficiency, in these particular cases it was thought necessary to continue them in their posts to obtain the advantage of their experience.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Am I to understand that no experienced and efficient servants who could take their places were available ?

THE HONOURABLE MR. S. N. ROY : In certain cases there were, in certain cases there were not. I am not prepared to give a categorical answer to that particular question.

THE HONOURABLE HAJI SYED MUHAMMAD HOSAIN : In cases where they were available has extension been refused ?

THE HONOURABLE MR. S. N. ROY : I should think so. I cannot speak for each individual case but I think, generally speaking, it is correct to say that an officer has only been kept on when it has been felt that his experience was necessary and efficiency would be reduced if he were allowed to go and were replaced by another junior officer.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : Will Government be prepared to examine such cases to see whether in the interests of efficiency there will be no harm done if extensions are not given ?

THE HONOURABLE MR. S. N. ROY : That is considered, Sir, in every case and the decisions taken are as the result of a careful consideration of all these factors.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Could the Honourable Member give us a little more information about the method adopted by Government than he has done ? Do Government, when considering the case of an officer, merely say, "He is an able man ; he should be retained" or do they compare his qualifications with those of the other men below him who might have hoped to succeed him in the ordinary course ?

THE HONOURABLE MR. S. N. ROY : I have said that full consideration is given to all these factors. There is no mathematical formula which one can apply.

Statement showing the names, designation and salary, etc., of officers who will attain the age of 55 during the year 1942 and who have been granted extension of service.

Names of officers.	Designation.	Salary on 31-12-41. Rs.	Date of retirement.	Period of extension.	Salary during the period of extension. Rs.
<i>North Western Railway.</i>					
1. Mr. K. B. Hira	Executive Engineer	1,325	28-2-42	One year	*1,375
2. Mr. L. R. Stephens	Junior Assistant Commercial Officer (L. G. S.).	800	14-3-42	Do.	800
3. Khan Sahib Niamat Ullah.	Offg. Assistant Bridge Engineer (L. G. S.).	560	15-3-42	Do.	*590
4. Mr. A. Booker	Assistant Mechanical Engineer.	625	21-3-42	Do.	*675
5. Mr. W. Petrie	Senior Assistant, Fuel	1,275	4-6-42	Do.	1,275
<i>East Indian Railway.</i>					
1. Mr. P. J. Hadley	Assistant Superintendent, Transportation (Traffic) and Commercial Department (L. G. S.).	800	15-2-42	Do.	800

* These will be drawn by the officers concerned from the dates of their next increment which vary with each officer.

Name of officers.	Designation.	Salary on 31-12-41. Rs.	Date of retirement.	Period of extension.	Salary during the period of extension. Rs.
<i>East Indian Railway—contd.</i>					
2. Mr. M. N. Ghatak	Assistant Superintendent, Transportation (Traffic) and Commercial Department (L. G. S.).	650	16-4-42	One year	*680
3. Mr. N. C. W. Bennett.	Assistant Superintendent, Transportation (Traffic) and Commercial	900	9-5-42	Do.	900
4. Mr. F. N. Bose	Executive Engineer	1,375 + 300	10-5-42	Do.	1,375 + 300
5. Mr. S. H. Kennedy	Offg. Assistant Engineer (L. G. S.).	650	8-6-42	Do.	*680
6. Mr. M. Robertson	Deputy General Manager	1,950	15-6-42	Do.	1,950
7. Mr. G. St. Leger	Assistant Superintendent, Transportation (Power) and Mechanical Department (L. G. S.).	800	21-6-42	Do.	800
8. Mr. A. C. Dunsdon	Deputy Chief Engineer	2,150	28-6-42	Do.	2,150
9. Mr. J. C. Gibson	Divisional Superintendent	2,150	28-7-42	Do.	2,150
10. Mr. A. O. Evans	Divisional Superintendent	2,150	26-8-42	Do.	2,150
11. R. B. N. K. Mitra	Chief Engineer	2,750	4-9-42	Do.	*2,875
12. Mr. R. E. Marriott	General Manager	3,500	15-10-42	Do.	3,500

* These will be drawn by the officers concerned from the dates of their next increment which vary with each officer.

NUMBER OF APPEALS DISPOSED OF BY THE INCOME-TAX TRIBUNAL FOR ORISSA.

129. THE HONOURABLE MR. N. K. DAS : Where have the appeals to the Income-tax Tribunal from Orissa been heard so far and has the Tribunal ever been to the Provincial capital of Orissa ?

THE HONOURABLE MR. C. E. JONES : The Tribunal has so far disposed of only four appeals from the Province of Orissa and all of them were heard at Calcutta. The reply to the second portion of the question is in the negative.

HARASSMENT CAUSED TO ASSESSEES OF ORISSA.

130. THE HONOURABLE MR. N. K. DAS : Is Government aware of the harassment caused to the assessee of Orissa in coming over with their books of accounts to the Special Circle created at Patna ?

THE HONOURABLE MR. C. E. JONES : With your permission, Sir, I will reply to questions Nos. 130, 131, 132, 133, 134 and 137 together. The information required by the Honourable Member has been called for and the replies will be laid on the table of the House in due course.

THE HONOURABLE MR. HOSSAIN IMAM : May we hope that it will be before the end of the session, Sir ?

THE HONOURABLE MR. C. E. JONES : I hope so, Sir.

NUMBER OF APPEALS FROM ORISSA RECALLED TO PATNA BY THE SPECIAL INCOME-TAX CIRCLE.

131. THE HONOURABLE MR. N. K. DAS : Will Government lay a statement on the table showing the number of Orissa cases recalled to Patna by the Special Income-tax Circle ?

(See reply to question No. 130.)

VISIT OF THE EXCESS PROFITS APPELLATE ASSISTANT COMMISSIONER.

132. THE HONOURABLE MR. N. K. DAS : Has the Excess Profits Appellate Assistant Commissioner been to Orissa ? If not, where have the appeals been heard ?

(See reply to question No. 130.)

NUMBER OF CASES IN WHICH DEPOSITS IN PERSONAL ACCOUNTS WERE ASSESSED AS UNDISCLOSED PROFITS AND REVENUE DERIVED THEREFROM IN THE BIHAR AND ORISSA CIRCLE.

133. THE HONOURABLE MR. N. K. DAS : Will Government state what is the number of cases in which deposits in personal accounts were assessed as undisclosed profits and what is the revenue derived therefrom in the Bihar and Orissa Circle in the assessment year 1940-41 and 1941-42 ?

(See reply to question No. 130.)

NUMBER OF CASES IN WHICH PENALTY UNDER THE INCOME-TAX ACT, 1922, WERE IMPOSED IN THE BIHAR AND ORISSA CIRCLE AND REVENUE DERIVED THEREFROM.

134. THE HONOURABLE MR. N. K. DAS : What is the number of the cases in which penalty under section 28 of the Indian Income-tax Act, 1922 (XI of 1922), were imposed in the B. and O. Circle in the years 1939-40, 1940-41 and 1941-42, and what is the revenue derived therefrom ?

(See reply to question No. 130.)

CREATION OF A NEW INCOME-TAX CIRCLE IN BIHAR AND ORISSA.

135. THE HONOURABLE MR. N. K. DAS : (a) Is it a fact that a new Circle has been created in B. and O. and an Appellate Assistant Commissioner posted at Bhagalpur ?

(b) Why the Headquarters of this Appellate Assistant Commissioner were not made at the Provincial capital of Orissa ?

THE HONOURABLE MR. C. E. JONES : (a) and (b). The new circle has been created as a temporary measure with a view to clearing arrears and is likely to be abolished on the 31st August, 1942. The headquarters of this charge could not be located at the provincial capital of Orissa since it did not include any of the income-tax circles in Orissa.

DISCHARGE OF TWO INCOME-TAX OFFICERS IN THE BIHAR AND ORISSA CIRCLE.

136. THE HONOURABLE MR. N. K. DAS : (a) Is it a fact that two Income tax officers have been discharged from service in B. and O. Circle in 1941-42- and if so, for what fault ?

(b) Were not two of the colleagues of these officers retrenched in 1933 ? Why were not these officers retrenched then ?

(c) Is it a fact that one of these retrenched officers has surrendered his entire pension to Viceroy's War Fund in protest against the injustice done to him ?

(d) Do Government propose to reappoint such young retrenched officers during the present war instead of appointing new hands and paying the old ones their pension ?

THE HONOURABLE MR. C. E. JONES : (a) Yes, on charges of dishonesty and incompetence.

(b) The answer to the first part is in the affirmative. The answer to the second part is that as these two officers were not, at that time known or considered to be inefficient or dishonest, the question did not then arise.

(c) The Government have no information.

(d) No.

THE HONOURABLE MR. N. K. DAS : With reference to (c), Sir, do Government propose to inquire into the cases of and remedy the injustice done to these retrenched officers ?

THE HONOURABLE MR. C. E. JONES : The Government are not aware of any injustice, Sir.

THE HONOURABLE MR. N. K. DAS : Were their services retrenched because they were in any way inefficient or because of any fault of their own ?

THE HONOURABLE MR. C. E. JONES : May I ask if the Honourable Member is referring to the two officers whose services have now been dispensed with or the two officers that were retrenched in 1933 ?

THE HONOURABLE MR. N. K. DAS : I am referring to those that were retrenched in 1933.

THE HONOURABLE MR. C. E. JONES : I think they were retrenched then in pursuance of the retrenchment policy of Government at the time and in accordance with the principles laid down by the Government in that regard.

THE HONOURABLE MR. HOSSAIN IMAM : Is there any appeal pending before the Government in the case of the two officers who have been discharged ?

THE HONOURABLE MR. C. E. JONES : The officers are entitled to appeal to the Governor General in Council. No appeal has yet been received but the limitation period has not yet expired.

THE HONOURABLE MR. N. K. DAS : May I know, Sir, how many Income-tax Officers have been appointed since these officers were retrenched in 1933 ?

THE HONOURABLE MR. C. E. JONES : I am afraid I must ask for notice, Sir.

TAXATION OF AN ASSESSEE IN THE CUTTACK CIRCLE.

137. THE HONOURABLE MR. N. K. DAS : Is Government aware that in a case in Cuttack Circle where an assessee was taxed to more than Rs. 100 the movables distrained did not fetch more than Rs. 15 ?

(See reply to question No. 130.)

MOTION FOR ADJOURNMENT *RE* EVACUEES FROM BURMA.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, I beg to move an Adjournment Motion—

THE HONOURABLE THE PRESIDENT : You have not given any notice. I have received one notice from the Honourable Mr. Hossain Imam—

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: I have signed that. It is signed by me and also by Mr. Hossain Imam.

THE HONOURABLE THE PRESIDENT: Honourable Members, I have received the following notice of Adjournment Motion:—

"I beg leave to move the following Adjournment Motion at today's Council meeting as the matter is of great urgency and public importance":

The Motion runs thus:—

"That the House do adjourn to consider the urgent matter of public importance, namely, the plight of Indian evacuees from Burma and the causes of destruction of their property in Rangoon".

I must admit that this Motion is of very great importance, but there are certain difficulties in my way in this matter. This Adjournment Motion consists of two parts. The first is about the plight of Indian evacuees and the second is about the destruction of their property in Rangoon. As regards the latter point, namely, the destruction of their property, the Governor General in Council has nothing whatsoever to do with it and as such that portion of the Motion is entirely out of order. As regards the evacuees, I must say I have some difficulty in the matter. The Indians Overseas Department has got the care and protection of the evacuees and I understand that the Honourable Mr. Aney, on a cut Motion this afternoon, is going to give an explanation on the first part of this Adjournment Motion. Will that not be sufficient for you?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: In that case, we will wait and see what explanation he gives and to what extent he refers to this matter.

THE HONOURABLE THE PRESIDENT: Then would you renew your application at the next meeting? For tomorrow, I understand, there is no business; so do you agree to postpone the Motion to the next meeting day? So far as I am concerned I have advised the Honourable Member for Government not to take any objection on the score of urgency.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): May I just have a point cleared up. You referred to the responsibility of the Burma Government and not that of the Government of India for the destruction of the property of Indians in Rangoon. But this is a matter in which the Government of India can make representations to the Government of Burma, particularly so far as the protection of property in future is concerned. I hope therefore that you will not rule out all the remarks bearing on this matter of India to the condition of our nationals wherever they may be living at the present time.

THE HONOURABLE THE PRESIDENT: As regards the point made by you I must say that the destruction of property in Rangoon does not fall within the scope of the Governor General in Council's functions. He has nothing whatever to do with it. It is a separate Government. When Burma was part of India the Motion would have been quite in order as regards that part, but at present it cannot be. And properly a Motion of Adjournment is a vote of censure on Government. You cannot hold the Governor General in Council responsible or censure the Government of India for something done by a foreign Government.

However, Mr. Muhammad Husain, you say you agree to the adjournment of the Motion till the next sitting day?

Mr. Bozman, I understand that you won't take objection on the ground of urgency?

THE HONOURABLE MR. G. S. BOZMAN (Indians Overseas Secretary): That is correct, Sir.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: May I request that the discussion on this Motion be postponed instead of my renewing my application on that day.

THE HONOURABLE THE PRESIDENT: I will tell you my difficulty as regards that. Under the Standing Order when the Motion is once admitted I do not think the Chair has got any option but to fix four o'clock that afternoon for the discussion of the Motion. That is my difficulty.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: Not even, Sir, with the consent of the House?

THE HONOURABLE THE PRESIDENT: I am very doubtful on that point as the wording of the Standing Order stands. But I am prepared to stretch a point if the Honourable Member in charge of this agrees to that.

THE HONOURABLE MR. G. S. BOZMAN: Whichever way the Standing Order goes, I understood we were going to discuss this Motion on the next meeting day of the Council.

THE HONOURABLE THE PRESIDENT: The Honourable Member's purpose would be fully served if that discussion takes place.

THE HONOURABLE MR. G. S. BOZMAN: That I understood to be the position. That is what Government are prepared to agree to.

THE HONOURABLE THE PRESIDENT: And you Mr. Muhammad Husain have agreed too?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: Yes, Sir. Thank you.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. C. E. JONES (Finance Secretary): Sir, I lay on the table a copy of the Report * on the progress of the schemes financed from the grants for Rural Development for the period 1st December, 1939 to 31st March, 1941.

THE HONOURABLE MR. G. S. BOZMAN (Indians Overseas Secretary): Sir, I lay on the table a copy of the Report * of the Special Haj Inquiry by Mr. J. A. Rahim, I.C.S.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE MR. S. N. ROY (Communications Secretary): Sir, I move:—

"That this Council do proceed to elect, in such manner as may be approved by the Honourable the President, six non-official members from the Council who shall be required to serve on the Central Advisory Council for Railways for the year commencing 1st April, 1942."

The Motion was adopted.

* Not printed. Copy placed in the Library of the House.

STANDING COMMITTEE FOR THE DEPARTMENT OF COMMUNICATIONS

THE HONOURABLE MR. S. N. ROY (Communications Secretary): Sir, I move :—

"That this Council do proceed to elect in such manner as the Honourable the President may direct, three non-official members to serve on a Standing Committee to advise on subjects other than 'Roads', dealt with in the Department of Communications, during the year 1942-43."

The Motion was adopted.

STANDING COMMITTEE FOR ROADS, 1942-43.

THE HONOURABLE MR. S. N. ROY (Communications Secretary): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Honourable the President may direct, three members to serve on the Standing Committee for Roads which will be constituted to advise the Governor General in Council in the administration of the Central Road Fund during the financial year 1942-43."

The Motion was adopted.

STANDING COMMITTEE FOR THE DEPARTMENT OF SUPPLY.

THE HONOURABLE MR. A. DEC. WILLIAMS (Defence Co-ordination Secretary): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Honourable the President may direct, three non-official members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned."

The Motion was adopted.

STANDING COMMITTEE FOR THE DEPARTMENT OF COMMERCE.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Honourable the President may direct, two non-official members to serve on the Standing Committee to advise on subjects in the Department of Commerce."

The Motion was adopted.

THE HONOURABLE THE PRESIDENT: With reference to the five Motions which have just been adopted by the Council, I have to announce that the date of nominations will be intimated later by circular, and the dates of election, if necessary, will be announced later.

INDIAN PENAL CODE (AMENDMENT) BILL.

THE HONOURABLE MR. SHAVAX A. LAL (Nominated Official): Sir, I move :—

"That the Bill further to amend the Indian Penal Code, as passed by the Legislative Assembly, be taken into consideration."

Sir, the object of this Bill is to insert in Chapter II of the Indian Penal Code a definition of the term "harbour", which occurs in sections 130, 136, 157, 212, 216 and 216A of the Code. At present a definition in substantially the same terms

as now proposed is contained in section 216B of the Code, but this definition, Sir, is limited to sections 212, 216 and 216A only. This limitation has led to serious practical difficulties. For instance, a prisoner of war who escapes from custody, or a soldier who deserts from the army, may be held to have made good his escape by means which may not amount to harbouring in the ordinary sense. The intention is to stop this lacuna by inserting a definition which would cover not only the sections which are at present covered but also sections 130 and 136. The Bill as originally introduced sought to cover all the sections of the Code in which the word "harbour" occurs, but as a result of discussion in the other House section 157 was taken out of the scope of the definition and the definition was limited in its application in respect of section 130 to cases in which the harbour is given by persons other than the wife or husband of the fugitive. Honourable Members will thus realise, Sir, that the Bill in its present form is free from any objection that may have been urged to the Bill as it was originally introduced.

With these words, Sir, I commend the Bill to the House.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. SHAVAX A. LAL: Sir I move :—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

COTTON GINNING AND PRESSING FACTORIES (AMENDMENT) BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move :—

"That the Bill further to amend the Cotton Ginning and Pressing Factories Act, 1925, as passed by the Legislative Assembly, be taken into consideration."

The object of this Bill, Sir, is to extend to cotton ginned by ginning factories the provisions which under the Act of 1925 require the submission of weekly returns of cotton pressed by cotton pressing factories. The Indian Central Cotton Committee are very anxious that the crop records should be completed by obtaining particulars of cotton ginned and not pressed as well as of cotton which is pressed. A part of the cotton ginned which is not pressed is used not only in spinning mills but also consumed for a number of domestic purposes, including hand spinning. The Indian Central Cotton Committee's recommendation had already been forestalled by actual provincial legislation in the Governments of Bombay and the Central Provinces, thus covering the most important part of the field. The subject of this Bill, Sir, is in the concurrent field. The primary object of the Bill, if it is made law, will be to enforce the provision for the submission of these returns in the Centrally Administered Areas. Opportunity has, however, been taken to give powers to Provincial Governments to extend the provisions of the Bill within their own provinces, thus relieving them of the necessity of promoting independent legislation in each province on the lines of that which has already been promoted in the province of Bombay and the Central Provinces. It is felt that these enabling powers will be a convenience both to the trade and to the Provincial Governments concerned.

Sir, I move.

The Motion was adopted.

Clauses 2, 3 and 4 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

“That the Bill, as passed by the Legislative Assembly be passed.”

The Motion was adopted.

INDIAN PATENTS AND DESIGNS (EXTENSION OF TIME) BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move:—

“That the Bill to provide for the extension of the time limited by or under the Indian Patents and Designs Act, 1911, for the doing of acts thereunder, as passed by the Legislative Assembly, be taken into consideration.”

The object of this Bill, which is quite a simple one, is I think adequately explained in the Statement of Objects and Reasons and I therefore do not propose to make any further remarks in asking for consideration of the Bill.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

“That the Bill, as passed by the Legislative Assembly be passed.”

The Motion was adopted.

PROTECTIVE DUTIES CONTINUATION BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move:—

“That the Bill to extend the date up to which certain duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect, as passed by the Legislative Assembly, be taken into consideration.”

This, Sir, is a repetition of the task which fell to my lot on the 29th March, 1941 when I moved a similar Motion continuing protective duties in force without modification. The duties which are now due to expire on the 31st March of this year are the duties on wood pulp, paper, cotton and silk manufactures, sugar, what is popularly called gold thread, wheat and wheat flour. These cover by far the most important part of the field of protection. The object of the proposals that Government is placing before the Legislature can be simplified by saying that we propose to declare a moratorium to discussions of the details of tariff policy during the period within which it seems to us certain that it will be impossible to obtain any reliable data upon which to base proposals for a modification in any direction of the policy that was in force before. The idea of all the duties, except that on sugar, is to extend the period of protection by two years and to stabilise existing rates during that period. In the case of sugar it is slightly different, because, protection, by a separate Act, extends up to 1946—that is the Act mentioned in the third clause of this Bill—shall be applied. I think, Sir, it would be wasting the time of the House for me to

12 NOON. argue at length with specific instances the impossibility of obtaining any reliable data whatever upon which to base the proposals for changing in any way the existing rates of duty. Take the important case of iron and steel. Restrictions on exports from the only producing countries from which iron and steel can be obtained are a far more important factor in determining what can be imported into this country than any customs duty could be. The customs duty is completely ineffective in the sense that its existence or non-existence does

not in the present conditions make any difference to the volume of iron and steel, necessarily very limited, which can be imported, nor does the duty actually affect the internal price. The same *mutatis mutandis* is true of sugar, and I might go over the whole field and argue on similar lines. I feel, Sir, that the House will agree that it is not desirable for Government to attempt to formulate a policy which involved a departure in any way either from the lists of industries which are protected or the rates of duty under which protection is given without a formal inquiry for which there is absolutely no basis of actual data under the present conditions.

Sir, I move.

* THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan): Mr. President, the Honourable Sir Alan Lloyd in conclusion has stated that the existence or non-existence of the duties has become immaterial and that the present condition is such that imports are either not available in many of the fields or if they are available they are of such urgency that their import has to be made. This argument, Sir, is more for removal of the duties than for their continuation. I find, Sir, that the duty on wheat, although fixed at Rs. 1-8-0 per cwt. was reduced and at the moment that small duty which was imposed on wheat has been removed. The result, Sir, of such an action could have been under ordinary circumstances that India would have been flooded with wheat, but as it is the shipping position is so difficult that even with the removal of the duty we have not been able to get any substantial amount of wheat from Australia. I remember, Sir, only last month—I think in February—we had an import of about 9,000 tons of wheat from Australia. That, Sir, the Government is able to reduce or even remove altogether the duty imposed on protective articles is a power which the Government of India enjoys. May I suggest, Sir, that we have suffered enough from high duties on protected articles like sugar and if the Government is unable to come forward with a definite proposal for the quantum of protection required for sugar at least they would consult the industry itself. I have been told, Sir, by very important sugar interests that the duty is at least 100 per cent. more than what is required at the present moment, and if you consider the further effect of the removal of Java as a competing factor in sugar you will agree with me that the very necessity of having a protective duty on sugar has been removed.

Now, Sir, the real reason why I stand up to speak on this Motion was to ask what measures the Government contemplate taking to ease the wheat situation at the present moment prevailing in the country and especially in the Centrally administered area of Delhi.

THE HONOURABLE THE PRESIDENT: Please speak on sugar. The question of the wheat position is not before the Council.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, you will find in section 3 of the Sugar Industry Protection Act of 1933 and therefore we are extending the protection given to the sugar industry, which was originally promised for 10 years only, to 12 years.

THE HONOURABLE SIR ALAN LLOYD: The Sugar Duties Act gives protection till 1946.

THE HONOURABLE THE PRESIDENT: You have already said so.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, I was referring to the fact that we had in 1931 or 1932 originally contemplated to give them two periods of five years each and after that another period of partial protection, that is 10 years of full protection and then partial protection for subsequent period.

* Not corrected by the Honourable Member.

[Mr. Hossain Imam.]

I was referring to the wheat position and asking the Government to tell us if they contemplate taking any action to ease the wheat situation. I know the difficulties in which we are and one of the reasons why I brought this matter is that wheat is being exported from India for military needs. Can we not find some substitute so that wheat may be conserved in India? The position is really very precarious in Delhi. Last week, Sir, we could not get even a seer of flour in the market. It was only the energetic action which the Chief Commissioner took which prevented food riots. The position has deteriorated to such an extent and we are told that Punjab is holding large stocks of wheat and withholding it so that they may benefit by the removal of the present price limit placed on wheat. They were unable to get it at Rs. 4-6-0. I think the Government should do something. They should either make wheat available to us or increase the price and thereby make the wheat available. The present position is that a black market is selling it at 70 per cent. above the control price and it is for that reason that you are having all these troubles. There are enough stocks even in Delhi but the Government does not take, or per- confiscate. Unless there is a danger that the whole stock will be confiscated as is done in the case of Sea Customs you will not force people to declare their stocks. I hope, Sir, that the Government will enlighten us on what steps they are taking.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : I accord my support to the Motion moved by my Honourable friend Sir Alan Lloyd. My Honourable friend was careful enough to point out in his speech that this Bill was only of a temporary character. It prejudices no question of policy ; it merely continues the existing state of things, and I for one can therefore see no objection to it.

My Honourable friend Mr. Hossain Imam adverted to his favourite topic the duty on sugar. He has spoken on this subject so many times without making the slightest impression on the House that I do not think I need take the trouble of answering his remarks today. It requires no little self-assurance for any one to get up in this House at the present time and to condemn the protective duty on sugar. It has been pointed out repeatedly that the present duty, instead of raising the price of sugar to the high level at which it might have stood, has produced consequences beneficial both to the agriculturist and to the country at large. The competition that exists in the country has to a substantial extent prevented the prices from rising unduly and the excise duty is an important source of income to Government. Apart from this, Sir, can any one who considers the present situation regret the fact that India is able to supply all her needs in regard to sugar? Had we been dependent at the present time on Java, what would our condition have been? We would have been deprived of a very essential article. I am, therefore, very glad indeed that the Government of India took steps about ten years ago to develop the sugar industry by granting it protection. As regards the future of this industry, as my Honourable friend Sir Alan Lloyd pointed out, the existing duties would be continued for a period of two years. It is obvious that no inquiries can be made at the present time, and if any inquiries are made, they will yield no reliable data. It is obviously necessary that any inquiry that it may be necessary to hold in regard to the continuance or abolition of the protective duties should be postponed till the return of normal times.

As regards wheat, Sir, although the position of the wheat duty is not as strong as that of the other duties, it should, I think, be continued. There is no harm whatsoever in continuing it. The continuance of the duty is not standing in the way of the import of wheat from elsewhere, because, in practice, there is no duty. All that the present law enables the Government of India to do is to exercise the power of imposing a protective duty in case of need. I cannot see really any ground on which any Member of this House could object to this permissive power. As

we do not know what the future conditions may be, I think it is elementary prudence on the part of the Government to desire that the existing state of things should continue so that they may have time to arrive at a considered conclusion later on. For these reasons, Sir, as I said at the outset, I accord my support to the Motion moved by my Honourable friend Sir Alan Lloyd.

THE HONOURABLE SIR ALAN LLOYD : Sir, I suggest that on the question of the sugar duty I might leave the remarks made by my Honourable friend Mr. Hossain Imam alone after the comments that have been made by my Honourable friend Pandit Kunzru. I will only remark that the Government of India in the Department of Commerce do not stand alone in the view that in the case of the sugar duties, a postponement of the decision for two years is desirable. In this particular respect our proposal was based upon the unanimous recommendation of the first meeting of the Central Sugar Advisory Board which was held in the month of February of this year. As regards wheat, Sir, although the immediate position in Delhi and other places similarly situated is not affected in any way by the nominal protective duty on wheat which is at present under suspense, if you will allow me, Sir, I should like to say a few words in reply to the Honourable Mr. Hossain Imam's remarks. I wish to assure him that we are all fully conscious of the extremely difficult position that has developed in the various wheat-eating areas—in centres of Northern India, in particular, as also in Bombay and Calcutta—within the last few weeks, and we are doing all that we can think of to keep the position in hand until the new crop is due to come in a few weeks' time. My Honourable friend referred to large exports on account of the army. I am afraid I am not in a position to give any figures showing how much of the army purchases are exported overseas and how much are consumed by the army in India. But there is no doubt that the purchases for the army have been, and have had to be, on a very large scale and that is an inevitable incident of the very large scale of recruitment which has taken place. Also, although I am not fully in military secrets, I think I can say that the exports out of India of army wheat have been for the maintenance in the field of armies which are mainly composed of Indian soldiers. I think it is reasonable, even at the risk—a risk which has materialised in Delhi—of some disturbance to the normal arrangements by which the civil population obtains its requirements, that the Indian forces overseas should look to India for their food supplies. If, Sir, we had been all wise, we should probably have taken wheat under control at the beginning of the last season. We could have then kept under strict control the whole of the distribution from the start and would not have been overtaken quite so suddenly by the very unfortunate state of affairs that has now developed. I admit that the Wheat Commissioner was appointed only in January last, because it was only after the course of prices showed that the position was becoming dangerous that the necessity of appointing a Wheat Commissioner was really brought home to us. January is only two months ago and it would be quite unreasonable to expect the Wheat Commissioner to have in that short time a control over the distribution of this commodity which would have been fully effective. It is, however, our determination that next year the distribution and the movement of wheat in the country should be under close control from the very beginning of the season, and if the crop is as good as we hope it will be, and if there are no calamities, I think it is reasonable to hope that by judicious management we shall be able to distribute over the year in such a way as to tide this over without mishap till the next crop year begins.

As for the immediate period, my Honourable friend referred to the energetic measures which have been taken by the Chief Commissioner of Delhi. I should like to refer also to the energetic measures which have been taken by the district authorities in a number of towns in the Punjab where a very similar position developed. My Honourable friend spoke as if there were known to be large quantities in the Punjab which could not be enticed out. Well, Sir, there is in the nature of things no sure knowledge of the quantity of invisible stocks in the rural areas in the

[Sir Alan Lloyd.]

Punjab and it would I think be almost impossible ever to obtain a really accurate means of estimating the position in that respect. We must remember that in a province like the Punjab and the United Provinces all study of statistics shows that only about half the crop ever enters into what are called visible stocks. Visible stocks in the Punjab are already under complete Government control. At the moment that control has been enforced by the Government of the Punjab under powers which have been delegated by the Centre for use in emergency, but we are in very close touch with them with the object of securing that the distribution of what is available is made on a fair basis.

Another measure, which of course is being enforced in Delhi and in the Punjab and which we have commended to the notice of all authorities responsible for food supplies in various places, is to encourage the use of alternative foodgrains and in particular the dilution of wheat with such things as barley, so long as wheat is short. That, Sir, is not the sort of measure that is likely to be popular, but it will be more popular than having to do without food at all.

Finally, Sir, we are making inquiries as to the extent to which, if necessary, foodgrains of a kind to which these particular populations are not accustomed may have to be required and what arrangement by Government will have to be taken in order to secure that at least a substitute, unsatisfactory as it is, may be available.

I repeat, Sir, that the position is one that is causing us great anxiety. It is one to which we are devoting our entire attention and candidly, the moment I leave this House I shall get back to it. That is one reason why I do not want to make a very long speech; I have very urgent things waiting to do in that very connection. The Government as a whole will continue to give it their most earnest attention.

THE HONOURABLE THE PRESIDENT : Motion moved :—

"That the Bill to extend the date up to which certain duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect, as passed by the Legislative Assembly, be taken into consideration."

Question put and Motion adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD : Sir, I move :—

"That the Bill, as passed by the Legislative Assembly, be passed."

*THE HONOURABLE MR. HOSSAIN IMAM : Sir, I am very grateful to the Honourable Sir Alan Lloyd for having clarified the situation as regards wheat. May I just draw his attention to the facts as regards his saying that it is impossible to find out invisible stocks, and that it is only the visible stocks, for instance, those in Banks, which can be tackled.

THE HONOURABLE THE PRESIDENT : He referred to the invisible stocks in rural areas.

THE HONOURABLE MR. HOSSAIN IMAM : Yes, in the rural areas; and in the market towns you have got many private houses, just as you have in Delhi, and the difficulty is that the police are not prepared to co-operate with the Department and unless you employ C.I.D. people or people of that kind you will never be able to find out stocks even when the new harvest is collected. The new harvest may also go underground if you are not careful and take full measures to control it.

* Not corrected by the Honourable Member.

With reference to sugar, Sir, the Honourable Mr. Kunzru has got a particular phobia sometimes I think.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : No phobia. We are all in favour of it.

THE HONOURABLE MR. HOSSAIN IMAM : You see the sugar duty does not stand at the limit at which it was and it will not stand at the limit at which it is today. I only drew the attention of Government to the fact that once you have taken a step in the right direction of reducing the duty you ought to continue the step.

I also drew attention to the fact that with the removal of Java there can be no objection. Duty or no duty will have no effect. That is what you will find in my speech. I did not ask the Government to take any specific action about the sugar duty and only said that the sugar duty has ceased to function and I took my cue in that from the statement of Sir Alan Lloyd.

Sir, I have nothing further to add.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, my Honourable friend has flogged this dead horse so often that it has ceased even to be amusing. The sooner therefore we deal with the serious business of the House the better.

THE HONOURABLE THE PRESIDENT : Motion moved :—

"That the Bill, as passed by the Legislative Assembly, be passed."

Question put and Motion adopted.

STATEMENT OF BUSINESS.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : Sir, tomorrow is fixed for non-official business but I understand that none of the items of non-official business on the agenda for tomorrow is going to be moved. It is not, therefore, necessary to meet tomorrow and I suggest that we adjourn till Wednesday, the 18th. If a meeting is fixed in the meanwhile for official business Honourable Members will be informed accordingly by circular.

The Council then adjourned till Eleven of the Clock on Wednesday, the 18th March, 1942.

COUNCIL OF STATE

Wednesday, 18th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN :

The Honourable Mr. Geoffrey Stephen Bozman (Secretary for Indians Overseas).

QUESTIONS AND ANSWERS.

MR. WILLIAM BULLITT.

138. THE HONOURABLE MR. M. N. DALAL : Are Government aware of the press report dated 10th January about the impending arrival in India of the United States special envoy Mr. Bullitt ?

- (a) Is the further supply of war requirements from this country to the allied countries the chief objective of his visit ?
- (b) If not, what is the object of his visit ?
- (c) What safeguards are provided by the Government of India against the risk of the interests of India being subordinated to conflicting interests in the allied group of countries ?
- (d) What assurance has this country received that when there are alternative sources of supply within the allied countries, India would get a fair share ?
- (e) What aid has America given to India by way of supply of munitions, shipping or in other similar form so far in the present war ?

THE HONOURABLE MR. A. DEC. WILLIAMS : Government are aware of reports to the effect that Mr. Bullitt was about to visit India. To the best of their belief, he has no intention of visiting India at present.

Parts (a) and (b) of the question therefore do not arise.

Parts (c) and (d). No safeguards are required, as India already receives more orders than she can comfortably execute.

Part (e). India is eligible for aid from America under Lease-Lend arrangements in the same way as the United Kingdom and the Dominions, but it would not be in the public interest to disclose details.

THE HONOURABLE MR. M. N. DALAL : Regarding (e), Sir, the Finance Member has said in his Budget Speech that goods worth about Rs. 11 crores would be arriving or are expected to arrive by 1941-42. Has anything arrived so far ?

THE HONOURABLE MR. A. DEC. WILLIAMS : Materials are arriving. I cannot say whether materials amounting to that sum in its entirety have arrived already.

MATERIAL RECEIVED UNDER LEASE-LEND ARRANGEMENTS.

139. THE HONOURABLE MR. G. S. MOTILAL: Is India receiving any material from the U.S.A. under the Lend and Lease deal?

THE HONOURABLE MR. A. DEC. WILLIAMS: Yes—a large quantity of material of all sorts essential for the war effort is being received.

RECRUITMENT TO THE R.A.M.C.

140. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Have Government thrown open the Royal Army Medical Corps in India to medical practitioners of non-enemy European descent, whether British subjects or not? If so, why? Is there any dearth of suitable candidates who are British subjects? How many of such have been appointed so far; and what qualifications and terms have been fixed for such non-British subjects?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): The policy governing recruitment to the Royal Army Medical Corps is laid down by His Majesty's Government and they have decided that in exceptional circumstances in order to maintain establishments of the Corps, persons of non-enemy origin who are not British subjects, may be allowed to obtain commissions in the Royal Army Medical Corps. Government are not aware how many such persons may have been commissioned in the United Kingdom and elsewhere, but none has so far been commissioned in India.

The qualifications laid down are equivalent to those registrable in the United Kingdom and the terms and conditions are the same as for British subjects.

ELIGIBILITY OF INDIAN STATES SUBJECTS FOR RECRUITMENT IN THE INDIAN ARMY.

141. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state whether subjects of Indian States are eligible for recruitment in the Indian Army? If so, how many of them have been recruited up to date?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): The answer to the first part is in the affirmative. As regards the latter part, figures are not readily available.

NUMBER OF PRISONERS OF WAR IN INDIA.

142. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will Government state the number of (a) Italian and (b) German prisoners of war in India? What is the average cost of a prisoner per day?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief):

Italians	66,667
Germans	145

As regards cost I regret the information is not readily available but I may add that the cost in question is debited wholly to His Majesty's Government in the United Kingdom.

PROPORTION OF INDIAN OFFICERS IN THE INDIAN ARTILLERY, ETC.

143. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is the proportion of Indian commissioned officers in the (a) Indian Artillery, (b) Indian Corps of Engineers, and (c) Mechanized Cavalry?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): The present proportion of Indian commissioned officers is as follows:—

- (a) Indian Artillery, 1 to 7, exclusive of Royal Artillery officers attached to Indian Artillery units.
- (b) Indian Corps of Engineers, 2 to 7, exclusive of Royal Engineers employed with the Indian Corps of Engineers.
- (c) Mechanised Cavalry, 1 to 4.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is this proportion? Is it due to the policy of the Government to recruit Indians in small numbers for these technical services?

THE HONOURABLE MR. A. DEC. WILLIAMS: I think probably it would be more convenient if I answered this in reply to the Honourable Member's Resolution which I take it he will move later in the day.

PROPORTION OF INDIAN OFFICERS UNDER TRAINING AT THE FIGHTING VEHICLES SCHOOL, AHMEDNAGAR.

144. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is the proportion of Indian officers under training at the Fighting Vehicles School, Ahmednagar?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): The number of commissioned officers undergoing training in the Fighting Vehicles School, Ahmednagar, at any one time is 120 and Viceroy's commissioned officers 80. No quota or proportion is fixed for Indian officers as against others. Officers are selected and trained in this School with a view to their eventual usefulness to their units as instructors and no differentiation is made as regards Indian officers and others. In the circumstances the proportion of Indian officers to others varies from time to time.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is it at the present time?

THE HONOURABLE MR. A. DEC. WILLIAMS: I have indicated that it was not considered worth while finding out, as by the time the information is received it is out of date. It varies from time to time.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is it a fact that Government have supplied similar information with regard to the Indian Artillery School Cadet Wing?

THE HONOURABLE MR. A. DEC. WILLIAMS: I cannot say about that, Sir, but it does not affect the fact that by the time the information is received it is out of date.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Does the Honourable Member remember that he himself replied to the question regarding the proportion of Indian and British candidates at the Indian Artillery School Cadet Wing ?

(No answer.)

FORMATION OF AN INDIAN VOLUNTEER UNIT IN SINGAPORE.

145. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Is it a fact that the very morning after the first air raid on Singapore, early in December last, a deputation of Indians waited on the Governor, and requested him to allow the Indian community to form a volunteer unit ; but the request was refused by the Governor as, in his opinion, Singapore was very heavily garrisoned, and there was no need for any volunteer unit ? Have Government made any inquiry into the matter and what are the facts ?

THE HONOURABLE MR. G. S. BOZMAN : Government have seen a press report on the subject but have no authentic information.

RACIAL DISCRIMINATION IN EVACUATION ARRANGEMENTS FROM PENANG.

146. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Is it a fact that when evacuation took place in Penang, with the exception of three Englishmen—one doctor and two members of the Salvation Army—the whole white administration of Penang evacuated, while not a single Indian or Asiatic was allowed to leave by these boats except one Asiatic official, not even women and children ? Have Government made any inquiry with regard to the evacuation of Indians from Penang ?

THE HONOURABLE MR. G. S. BOZMAN : The Honourable Member will appreciate that it has been impossible to obtain any official information. Government have however seen press reports to this effect and a statement reported to have been made by the Governor of the Straits Settlements on the 20th of December indicates that there was some breakdown in the civil administration.

I have not myself seen any specific reference to a refusal to allow Asiatic women to leave Penang, but there is reason to believe that very few if any Asiatic civilians were able to get away. Reports received from evacuees from Malaya are noticeably consistent on this point and the Government of India have called the attention of the authorities concerned to the necessity for a full inquiry when circumstances permit.

RAILWAY PASSES.

147. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : (a) With regard to the "Travel Less" campaign initiated by the railway authorities, is it a fact that even railway officers drawing a salary of over one thousand rupees per month are allowed twelve free passes every year for themselves and their families to any part of the country and back ?

(b) Is it a fact that even many of those railway officials whose services have been lent to the Supply or other Departments are continuing to enjoy these pass concessions ?

(c) Do Government propose to make an inquiry into the above, and place the facts before the House ?

THE HONOURABLE MR. S. N. ROY : (a) and (b). The reply to both parts of the question is in the affirmative.

(c) Though the number of passes to which railway officials are entitled under the pass rules has not been curtailed, instructions have issued to the effect that they are expected to travel less in the same way as the public.

NUMBER OF INDIANS AND EUROPEANS UNDERGOING TRAINING AS PARACHUTISTS.

148. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state how many Indians and Europeans are under training in the Air Landing School for the training of parachute troops ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : The numbers of Indian and British troops undergoing this training are approximately the same.

NUMBER OF INDIANS AND EUROPEANS UNDERGOING TRAINING AT ANTI-AIRCRAFT TRAINING CENTRES, ETC.

149. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state how many Indians and Europeans are receiving instruction in anti-aircraft and coast defence artillery special centres ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : I regret that it would not be in the public interest to give actual figures, but I would give the percentages which are as follows :—

Anti-Aircraft Training Centres	100 % Indian.
Anti-Aircraft School	20 % European and 80 % Indian
Coast Artillery Training Centre	100 % Indian.
Coast Artillery School	25 % European and 75 % Indian.

NUMBER OF INDIANS AND EUROPEANS IN THE HIGHER WAR SCHOOL.

150. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state how many Indians and Europeans are receiving instruction in the Higher War School for the instruction of senior officers ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : Twelve Europeans and no Indians. I may add for the information of the Honourable Member that the Higher War School is intended for the training of senior officers and no combatant Indian officer has, as yet, reached the requisite seniority.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What does the Honourable Member mean by saying that the School is limited to the instruction of senior officers ? What is the seniority that is required ?

THE HONOURABLE MR. A. DEC. WILLIAMS : On an average their rank is that of full Colonel.

SUPPLY OF HEAVY EQUIPMENT FROM HIS MAJESTY'S GOVERNMENT.

151. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Have Government made representations to His Majesty's Government for adequate and immediate supply of such heavy equipments for land forces in India as are not manufactured in this country ? If so, with what result ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): The reply to the first part is in the affirmative. As regards the last part, the requirements of India are correlated with those of all others and India receives her share in accordance with the general policy of distribution.

BANNING OF ANTI-FASCIST MEETINGS AND MEETINGS ORGANISED BY LOCAL SOVIET AID COMMITTEES.

152. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is it a fact that meetings organised by local Soviet Aid Committees and anti-Fascist meetings have been banned in India? If so, why; and are Government in a position to make a statement on the subject?

THE HONOURABLE MR. E. CONRAN-SMITH: No anti-Fascist meetings and meetings organised by local Soviet Aid Committees have been banned except where disturbed local conditions have necessitated a temporary ban on all meetings. There may have been a few cases in which meetings organised ostensibly on an anti-Fascist basis, have had to be stopped because their real object was something quite different.

RIFLES FOR THE BHONSLA MILITARY SCHOOL, NASIK.

153. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is it a fact that while the military authorities have refused to sanction the use of non-serviceable rifles at the Nasik Military School, several European and Anglo-Indian schools in India are being given ample facilities, including the use of even serviceable rifles, for their training? If so, why this differential treatment?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of his Excellency the Commander-in-Chief): The facts are not as stated by the Honourable Member. Government did not refuse the issue of non-serviceable rifles to the Bhonsla Military School, Nasik. What was refused was the request for the issue of serviceable rifles.

No schools, whether European or Anglo-Indian, are, as such, issued with serviceable rifles. If they have a cadet unit affiliated to the Auxiliary Force (India), such units like University Training Corps may be issued with rifles and ammunition because they can then be kept under proper military supervision.

SULPHUR DEPOSITS IN BALUCHISTAN.

154. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is it a fact that the monopoly for the exploitation of sulphur deposits, which have recently been discovered in Baluchistan, has been given to a European firm, Messrs. Gillanders Arbuthnot and Co.? If so, why? Were Indian firms sounded to take up this work? If not, why not?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: No. The Baluchistan sulphur mines are being exploited departmentally.

MOTION FOR ADJOURNMENT RE EVACUEES FROM BURMA.

THE HONOURABLE THE PRESIDENT: In view of my observations made at the last sitting I am glad that the Honourable Mr. Muhammad Husain has modified his Motion of Adjournment and he has sent me a revised Motion which I will presently read to the House:—

“That this House do adjourn to discuss a matter of public interest and urgency, namely, the plight of Indian evacuees from Burma”.

This Motion is entirely in order and unless Honourable Members have any objection I will allow it.

(No Honourable Member raised any objection.)

The Motion is therefore admitted and if we finish today's business before lunch then this Motion would be debated at 4 p.m. but if we meet again after lunch it will be taken up immediately after the completion of today's business.

THE HONOURABLE MR. P. N. SAPRU: Am I to understand, Sir, that even if we finish all the work today before lunch then the Motion will be taken up at 4 p.m.? Why should we not take it up if we finish our business before lunch and finish with it?

THE HONOURABLE THE PRESIDENT: The Honourable Member must know that the usual time fixed by the Standing Orders is 4 p.m. and it can only be taken up earlier with the consent of the Government Member under the Standing Orders. I have ascertained the views of Government and have come to that decision.

RESOLUTION RE SUBSIDIES TO FLYING CLUBS.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to move the following Resolution which stands in my name:—

“That this Council recommends to the Governor General in Council not to discontinue the subsidies to the civil flying clubs in the country except in provinces where a proclamation of emergency is in force.”

Sir, in the year 1928 the first flying club was founded in Delhi and it started functioning in January, 1929. Since then a number of clubs were established in India without any Government financial aid and history proves that they did solid work and that at the outbreak of the war they were able to provide a great number of pilots. The object of establishing these flying clubs was to make the Indians air-minded and on that ground Government accepted that policy and introduced subsidies. Now, Sir, what have the events proved? We find that Air Force is the chief arm of defence and that there is a great paucity of air pilots. Here, Sir, in this House and in the other place, Members had been always advocating that in the Indian defence forces there ought to be a sufficient number of commissioned Indian officers and that Indianization should go on at its promised pace. We find that there is a great dearth of air pilots. Government have to go to places like Australia, Canada and South Africa to find air pilots for their Air Force. We find that in America, the A. V. G. (i.e., the American Volunteer Guards) are similar to what we have in India in the flying clubs. Initial training is given to those candidates who are selected for the Air Force and the training, if I rightly understand, extends to at least 75 flying hours. In India, Sir, some training institutions have been founded by the Defence Department, and the initial training for these is given in flying clubs, where flying solo limit now been reduced to a maximum of 25 hours, which means that our product from these initial schools and subsequently from the training centres is not up to the mark and is much below the general standard prescribed in other countries. Therefore, Sir, it is essential that in case Government seriously means to train Indians in the Air Force and to make India air-minded, these clubs must continue to receive subsidies. Events in Burma have proved that the pilots who had at least 75 flying hours' initial training have proved much more efficient than those who had practically less than half such training. From the papers we find that the American pilots brought down 150 Japanese planes out of 180 while the British units could not reach that efficiency standard. Stoppage of the subsidies

[Rai Bahadur Lala Ram Saran Das.]

at this time when you want more pilots and when there is a big increase to be made in the air defence Government's such attempt to save a few thousand rupees seems rather unfortunate. I might say that since the war started, various flying clubs were found to be of immense use and the very first batch of those Indian air officers whom they selected mainly came from the Indian flying clubs, and now to stop the subsidies when the war expenditure in India ranges over Rs. 40 lakhs a day and save a few thousands of rupees cannot be real economy. I am glad that on the representation of the flying clubs, Government have been good enough to renew the subsidy for another three months from 1st April to a few clubs. I believe that Government will see its way and will be prudent enough to continue this subsidy for the rest of the year too. It is no use saying that Government cannot afford it. I do not like the British Government going to other countries and asking for help. That is below the dignity of the Government. One day it goes to China and asks for help; another day it goes to America and asks for help. Why should not India be self-contained and why should not the defence flying arm be made ready and prepared for any period of emergency? I can say that in India the flying clubs have also produced "B" air pilots for the commercial air line. As many as 23 were produced by the Delhi Flying Club and they have done well. Now, owing to the war, there is a great dearth of aeroplanes and therefore the prospects of "B" pilots trained in the flying clubs are not very bright. Therefore, I would suggest that the initial training of the Defence Department should continue to be made in these clubs, and that a bigger number of candidates should be sent for air training and that the subsidies should continue. Otherwise, Indians will come to the conclusion, as many people are even now thinking, that Government does not like India to be air-minded and so does not allow even small subsidies to the flying clubs to continue. I hope, Sir, that the Government will be prudent enough having realised the necessity of these flying clubs. In these new training centres which have been established by the Defence Department there is no provision for training amateurs. Only those candidates who are trained who are selected for the Air Force. That is not right, Sir. I can say that now, in the Indian Air Force, there are officers who, when they started training, never intended to join service. They joined the service as a matter of patriotic duty because more air pilots were required. I may, by the way, mention, Sir, that there is great disappointment among the Indian pilots because the percentage of qualified pilots who were selected by the Royal Air Force were much too less. I understand—if I am wrong the Honourable the Government Member will put me right—that the half-trained pilots who have been imported from abroad into India have been instrumental in damaging many a plane for want of proper experience. It is, therefore, essential that India should be made self-contained and there should be enough pilots in India to cope with any emergency that might develop. Many sea routes are now being closed and Government will find it difficult later on, and people will blame Government for its anti-Indianization policy in case the subsidies are stopped.

With these words, Sir, I commend this Resolution for the kind consideration of the House.

THE HONOURABLE MR. S. N. ROY (Communications Secretary): Sir, I am glad that the Honourable Member has brought forward this Resolution because it gives me an opportunity of removing some of the misapprehensions under which the Honourable mover as well as, I imagine, certain sections of the public must be suffering as regards our intentions with regard to the flying clubs. Let me first of all try and remove some of the misconceptions which appeared in the speech of the Honourable mover. No action on our part has been influenced merely by considerations of economy. If some of the clubs have had to be closed down it is not because Government wanted to economise a few thousand rupees. The only

object was to facilitate the training of pilots for the Air Force. Nor was there any question of reducing facilities which exist. It was one of concentrating all our efforts in turning out pilots required by the Air Force. I can assure the Honourable Member that Government are as anxious as he to see that the flying clubs exist so long as they can serve a useful purpose in present conditions and circumstances. If that can be secured there will be no difficulty about granting them the subsidies that have been granted them in the past. There were eight flying clubs at the beginning of the war, or rather I should say seven, because one started after the commencement of the war. But at any rate until recently there were eight flying clubs of which two have had to be closed. One is the Dum Dum Flying Club. The reason for that is obvious. Air Force activities in Calcutta have become so great that it is impossible to continue ordinary civil flying which interfere with the operations of the Air Force. We were compelled, therefore, and I think in the circumstances it was necessary, to stop all civil flying. The aerodrome in Calcutta is now operated mainly for Air Force purposes but its direction and control continues in the hands of the Civil Aviation Directorate.

Now, Sir, let me try and review the position with regard to the subsidies, very briefly, in order to put the matter in its proper perspective. The primary object of these clubs, as the Honourable mover has stated, was to develop an air sense in the public mind, to familiarise the public with the possibilities of air transport and to produce a pool from which personnel for the air services and for the civil air organisation could be drawn. Nobody will dispute, least of all Government who have been most anxious to encourage the clubs in trying to keep alive these activities, that all these purposes have been very well served by the flying clubs. Before the war and immediately after it the Civil Aviation Department put into force assisted schemes for training pilots, which proved of great advantage later on to the Air Force. They drew upon these pilots; they took in quite a large number direct into the Royal Air Force and some into the Indian Air Force. That will indicate that, far from trying to injure the interests of flying clubs in any way, Government have been most anxious to do all they can to make the flying clubs as useful as possible. Subsequently the Air Force training scheme was formulated, and under this scheme more than 300, I think the exact number is 322, pilots were trained by the flying clubs and handed over to the Air Force. But there were difficulties. The chief difficulty was in getting candidates. The Honourable mover has stated that the Air Force have been very strict in taking in men from amongst those who have been trained by the flying clubs. This was inevitable for the requirements of the Air Force are, I venture to think, more rigorous than those of other arms of the Defence Services. You must have absolutely first class material for the Air Force if you are going to make it a success at all. There is nothing surprising therefore that there should have been such a large percentage of rejections among candidates or that there should have been a large wastage amongst those whom we trained. But it was brought to our notice that candidates found it easier—it was natural that they should have found it easier—to go in for Emergency Commissions. On the Air Force side there are many stiles to cross, because it is impossible to predict when candidates are first taken in whether they are going to make good pilots. After a few weeks training it may be found—and in many cases that has happened—that certain candidates will be of no use for the Air Force. Their training then has to be terminated. If they are not they go from the flying clubs to the Initial Training School, from the Initial Training School to the Elementary Flying School, Training School, from the Elementary Flying School to the Service Training Schools. At each of these stages a candidate has to be tested. The result is that many fall by the way. That I say is inevitable in Air Force training. We felt that it would be better in the circumstances if there was a combined Board which would select for the Air Force, the Army and Navy and allocate the candidates to one or other branches. That decision was taken some time ago, I think it was in December. The

[Mr. S. N. Roy.]

special Selection Board which was appointed by the Civil Aviation Department and the Defence Department in consultation ceased to exist. The selections are now made by a combined Board. I merely mention that to show the difficulties we have had with regard to getting proper candidates.

Now, side by side with that the Air Force have a large scheme of expansion and they feel that at this time, when time is a very important factor, it is desirable that from the stage of selection by the combined Board, through all the stages of training, the control of the training shall remain with the Air Force. We recognised the justice of that contention. The expansion scheme of the Air Force involves the use of a very large percentage, if not the whole, of the training aircraft which Government possess, and which Government have handed over to the flying clubs. Honourable Members probably know that most of these clubs do not have training aircraft. Most of the training aircraft have been purchased and supplied to them by Government. It follows that if this Air Force expansion is to take place and if our training aircraft is required for that purpose, there may not be aircraft left for flying clubs. Moreover as Honourable Members will realise, great restrictions have had to be placed, under existing conditions, on the consumption of petrol and lubricants. We cannot allow—nor, I believe is it allowed in any country which is in the war now—joy flying in flying clubs. The training that is given must be related to the requirements, direct and indirect, of the war. Now, the subsidy scheme to which my Honourable friend referred is based on the payment of a fixed contribution dependent on the number of aircraft which they operate, some of which as I have just explained are given to them by Government. There is also a bonus payable for trainees up to a certain standard. If training aircraft are not supplied to the clubs, if they have to be utilised for other purposes, quite obviously the subsidy scheme in the existing form cannot operate. The Air Force expansion scheme will also probably necessitate placing some of the flying clubs at the disposal of the Air Force. We are not in a position at the moment exactly to say what flying clubs may have to be utilised. It may be possible in some cases to adapt the existing organisation for the purposes of the Air Force, and in so far as that can be done we shall see that it is done and that the separate entity of the flying club is preserved. Let me make it quite clear that the question at the present time is how best to utilise the flying clubs for the requirements of war, of concentrating all the facilities that we have in order to turn out the men required for the Air Force. Now, it is probable that some of the flying clubs can still be continued on their present basis and we hope that in those flying clubs it will be possible to continue their present activities of training U.T.C. candidates as in Madras or of army personnel. I think I am right in saying that at the present moment there are few coming forward to take out licences. In any case they must give way to more urgent requirements. In considering the problem all the factors I have mentioned have to be borne in mind, viz., the restriction on petrol, on lubricants, the urgent requirements of the Air Force, the value of the normal activities of flying club in relation to the requirements of the Air Force. In the light of all these factors Government will have to decide from time to time what the future of any individual flying club will be. My Honourable friend has mentioned that we have recently issued orders continuing the subsidy to these flying clubs. Those orders, however, are limited to the first quarter of the next financial year. The reason for that is, as I have explained, that we cannot see the future very clearly yet. But I hope I have said enough to indicate that it will be our endeavour to continue to maintain the existence of these flying clubs for as long as possible. One other factor that comes into this problem is that the Air Force might require the services of the instructors that we have trained, so that some of the clubs will not only be bereft of training machines but also of instructors. Well, Sir, I think Honourable Members will recognise that this development in the present circumstances is inevitable and having regard to the fact that Government have

continued the subsidy for the next quarter, subject to review at the end of the quarter, I hope my Honourable friend will be able to withdraw his Resolution.

*THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, the House must have listened with great interest to the information given by my Honourable friend Mr. Roy regarding the present activities of flying clubs and the policy of the Government towards them. It seems to me, Sir, that it was not the desire of the mover of the Resolution to say that there was any antagonism between the Civil Aviation Department and the Air Force. The objects of both are the same and the flying clubs have done their best to carry out the scheme referred to by my Honourable friend Mr. Roy regarding the training of pilots. Over 300 pilots have been trained by them and as he told us they are all going to be made use of by the Air Force. The enthusiasm that the people showed for joining the—

THE HONOURABLE MR. S. N. ROY : On a point of explanation, Sir. We trained 322. As far as my information goes 287 of them have been taken into the Air Force.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I was under the impression that Government issued a communique some time ago that there was every chance that everybody trained in the civil flying clubs under their special scheme would be taken up by the Air Force ?

THE HONOURABLE MR. S. N. ROY : Yes, subject to their being considered satisfactory. That is the reason for the discrepancy between 322 and 287.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is, those only who were inefficient have been rejected, but all the efficient pilots have been made use of by the Air Force. This shows how useful the civil flying clubs have been to the Air Force. My Honourable friend Lala Ram Saran Das stated in the course of his remarks that it had been found that in actual fighting that the men trained by the flying clubs who had gone through a longer period of training than those who had received training under the Air Force had been found more efficient. My Honourable friend Mr. Roy was quite silent on the point.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Facts are facts and cannot be challenged.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I do not know whether he was silent simply because he had no information or because he concurred with the views expressed by the mover of the Resolution.

THE HONOURABLE MR. S. N. ROY : Because I do not know.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Well, in any case the efficiency of the men trained in the flying clubs has not been questioned. It would seem therefore that the Air Force would lose nothing if the flying clubs were continued. Mr. Roy has mentioned a number of special factors which must be taken into account by us. He has particularly drawn our attention to the shortage of petrol and lubricants. If the facilities which the mover of the Resolution has asked for were wanted to encourage joy-riding—I am using the word used by my Honourable friend—there would have been some point in the remarks that he made regarding the necessity for economising in the use of petrol and lubricants. If Government intend to make use of every efficient pilot trained by the flying clubs then there is no element of joy-riding left in the training given by the flying clubs. The

[Pandit Hirday Nath Kunzru.]

flying clubs have not claimed that they should continue their activities on the old basis. They are glad that they have been able to give the fullest assistance they can to the Air Force and they will be still more pleased if Government enable them to play a larger part in training the pilots that are needed at the present time. My Honourable friend himself therefore seemed to me to be labouring under a misconception when—

THE HONOURABLE MR. S. N. ROY: On a point of personal explanation, Sir,—

THE HONOURABLE THE PRESIDENT: You will have another opportunity of replying. Will you please allow the Honourable Member at this stage to have his say?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I was saying that it seemed to me that my Honourable friend himself was labouring under a misconception when he said that the Government could not allow petrol to be used at the present time for joy rides, for that was not the demand of the mover of the Resolution. All that he wants is that the flying clubs should be allowed to exist. Let them become for the time being a part of the expanded organisation established for the training of pilots required by the Air Force but let them be continued so that the associations that exist at the present time to create air-mindedness in the civil population should not be abolished. Now I admit what my Honourable friend said that it was not the policy of the Government to abolish these clubs and they would try to continue them as far as they could. This assurance is satisfactory so far as it goes but I would like to know really what is the main difficulty in the way of keeping up these flying clubs at the present time. There was, I believe, some idea last year of closing down these clubs on the ground that all the planes that were being received in the country were needed for purposes of defence. The Civil Aviation Directorate, I am glad to say, protested against this proposal if my information is correct, and managed to keep the flying clubs in existence, but it is quite possible that the pressure of the Defence Department on the Civil Aviation Directorate may have increased during the last few months and there may be some idea of making over the entire training of pilots to the Air Force. Now it is here that a difference of opinion between us and Government comes in. If the training given by the flying clubs is efficient there is no reason why they should not be continued in existence. Start new organisations if they are needed but continue the existing organisations because there is no point in abolishing them even temporarily and setting up other associations in their place for the very same purpose which they are fulfilling at the present time.

My Honourable friend referred to the paucity of training aircraft, but the remarks that I have made with regard to petrol apply to aircraft also. If the flying clubs are regarded as a component part of the establishment set up by Government to train pilots there is no reason why they should be denied the use either of petrol or of aircraft. My Honourable friend did not say one word to show that the training given by the flying clubs was inefficient or that any change in it was desired. If any change is desired and the flying clubs are informed of it I am sure that within the means at their disposal they will do their very best to introduce them, and if the assistance of Government to which Mr. Roy referred in the course of his remarks is forthcoming in full measure we need not doubt that the enthusiasm and the keenness of the flying clubs will enable them to discharge any task that may be entrusted to them.

On these grounds, Sir, I lend my hearty support to the Resolution moved by the Honourable Lala Ram Saran Das.

*THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR Madras: Muhammadan): If I venture to intervene in the debate now it is mainly for the purpose of elucidating some further information. I should like to have some of the doubts cleared which the speech of my Honourable friend Mr. Roy has created. I should like to know, Sir, in the first instance whether there are any civil aviation clubs which have forfeited their subsidies and if there are no such clubs are there any clubs which in the view of the Government do not deserve to be given the aid which they have been given up till now.

THE HONOURABLE THE PRESIDENT: I have not understood your question.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR: The question is whether there are any such clubs which have failed to function properly and in the opinion of the Government do not deserve to be continued to receive help from Government.

THE HONOURABLE THE PRESIDENT: But the Honourable Member has not said that. As I understood him he said that during the war all clubs have not been supported all over the country, in fact all over the world. So I am afraid the Honourable Member has not understood his reply properly.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR: I listened very carefully to what he said, Sir. He postulated some condition. From what he said it appeared that there are some clubs which might not be able to satisfy those conditions. He said that the subsidy depended on the number of aircraft operated by the club.

THE HONOURABLE THE PRESIDENT: He will further explain his remarks.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR: That is why I want to know if in view of those conditions there are any flying clubs which are likely to forfeit the subsidy which they have been receiving up till now? Again, Sir, I should like to know also whether the amount of aircraft which these clubs have been operating has been reduced at all, and if the Government have withdrawn from these clubs any of the aircraft which they had given to these clubs? If these aircrafts have not been withdrawn, and if the number of aircraft operated by these flying clubs is still the same, and they have been useful till now, I do not see any reason why there should be any change at all in the treatment given to them. I would also endorse the opinion just expressed by my Honourable friend Dr. Kunzru. He has just said that since these flying clubs have been doing very good work, they have been performing very good functions and they have proved a training ground for recruits to the Air Force and most of the pilots who have been trained by these clubs have been found to be quite fit to be employed by the Royal Air Force, there is no reason why these subsidies should not be continued. These clubs are not engaged, as he said, in encouraging joy rides. They are engaged in very useful and important work and they are also anxious to do their work in view of the conditions which are now obtaining in the country. If it is found necessary that there should be any change at all in the training that is given to the air pilots in these clubs, the necessity is in quite a different direction, namely, that Government should take care to see that the training given there is made both

[Saiyed Mohamed Padshah Sahib Bahadur.]

efficient and suited better to the purposes for which they are required. As regards lack of petrol, Sir, that should never be allowed to stand in the way of the useful work turned out by these clubs—

THE HONOURABLE THE PRESIDENT : I understand that from July next you will get no petrol at all.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Our suggestion is that since the work generally of these clubs is the sort of work which goes to help the war effort, it is necessary that all possible effort should be made to provide these clubs with the petrol that is required.

With these remarks, Sir, I give my whole-hearted support to the Resolution.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Sir, I have heard with rapt attention to the remarks of my Honourable friend Mr. Roy. He has not dealt with the questions which I consider as very important in replying to my speech. My first point which he has not dwelt upon is whether these flying clubs will remain as initial training centres for the Defence Department. As far as the Delhi Flying Club is concerned and as far as my Flying Club (Northern India Flying Club) at Lahore is concerned, it has been giving initial training to the Defence pilots. May I understand that it is now the policy of the Government not to give initial training to those officers who have been selected for the Air Force and, that in future such officers will not be trained at these clubs? If that is so I shall ask the Honourable Mr. Roy to kindly explain why this change in policy has been made? I might also inform the Honourable Mr. Roy that he is not right in saying that all the aircraft used for training purposes by the clubs was found by Government. I think he has not been rightly informed. I might tell him that nearly all the clubs—

THE HONOURABLE MR. S. N. ROY : I said, training aircraft.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : I also mean the training aircraft. I can tell him that as far as the Lahore, Delhi, Jodhpur, Lucknow and Cawnpore Flying Clubs are concerned the aircraft used for training in the beginning was not found by Government, and even now I can say that many clubs have their own training aircraft which they purchased from club funds.

Then he says that the grants will continue in case the clubs go on doing useful work. I am glad he said so, because now the initial training for the Defence Department of pilots is being done in the clubs. This very fact of usefulness has been established so the demand that the subsidies should continue is fully justified. In case the Honourable Mr. Roy means otherwise, it will mean that Government is going to change and reverse its policy and stop further initial training in clubs.

Then he said that perhaps we will be deprived of the training aircraft in case Government needs them. Here I might tell this Honourable House that the aircraft which is used for training purposes is not at all modern. It cannot be used in regular fighting or bombing.

Then comes the question of petrol. He says there is no petrol to spare—the Honourable the President observed that from July next there will be no petrol available—I may inform the House and the Honourable Mr. Roy that the average consumption of a civil flying club in case it has also to do initial training of Government officers ranges about a thousand gallons a month. There are some clubs

whose petrol consumption normally has not gone above 600 to 700 gallons. That is not much, Sir. Stoppage of petrol means stoppage of initial training. I would, therefore, request my Honourable friend Mr. Roy to clear the point whether the Government does or does not intend to give initial training to the candidates selected by the Air Force in these flying clubs, because, if they abolish this initial training in these Clubs, it will be doing another great injustice to these clubs that have done so well and proved their worth.

The Honourable Mr. Roy also said that no petrol can be provided for joy rides. As President of the Northern India Flying Club I come into contact with all these questions more frequently and I can say from my past experience of several years that by joy ride is generally meant the country ride, and for the initial training of a pilot that is quite necessary. You may call it joy ride, but I will always say it is a country flight. There are only a very few people, who are very rich, and who might afford to take joy rides in aeroplanes—and some Princes—but I can say that nobody ever considers of having joy rides in these times.

Then comes the question of the type of aircraft. My information is that even in the Indian Air Force in India, all the units are not provided with modern aircraft. If my information is wrong, I hope the Honourable Mr. Roy will put me right.

THE HONOURABLE MR. S. N. ROY : That has nothing to do with flying clubs.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : What I say, Sir, is that even in the institutions which are founded by the Defence Department, the boys are not trained on modern aircraft. I know that the aircraft on which the flying clubs give training are not meant for fighting purposes. They may only perhaps be of use for communication purposes. Therefore, Sir, unless my Honourable friend explains whether they are going to stop initial training for the Defence Department in flying clubs I am sorry I cannot withdraw my Resolution, because in case this air training for the Defence Forces is to continue the clubs must continue and I can also say that initial training in the clubs can be done far more economically than otherwise. Therefore before I make a decision I should like to hear the Honourable Mr. Roy on the points that I have now raised.

THE HONOURABLE MR. S. N. ROY : Sir, let me first of all remove a misapprehension which my reference to joy riding may have caused. Joy riding in aviation circles is used broadly to indicate flying for pleasure and this may include those who want to take out licenses as in normal civil times. When I said that joy riding had been stopped, I intended to convey that the flying clubs are actually engaged now on activities directly or indirectly connected with the war. They are training army personnel on a voluntary basis. They are army officers who probably want to go in for army co-operation flying. Anyway they come to the flying clubs and we offer them an opportunity of getting the training. The other type of work that flying clubs do is army co-operation, in connection with the use of anti-aircraft guns on the ground. You must have some aircraft flying about in order to enable the anti-aircraft units to judge ranges and distances and so on. The point that I was trying to make was that though the flying clubs are doing work that the Air Force require, in the interests of Air Force training more concentrated effort may be required. If the Air Force consider that they can get better results by taking over control through all the stages, I feel that so far as we are concerned we ought to make way for them in the wider interest of producing quicker results.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : May I put a question to my friend? During the war certain changes have taken place in other Departments too. For instance, the Indian Stores Department and the Contracts Directorate, which is an organisation under the army, have been amalgamated. But

[Pandit Hirday Nath Kunzru.]

it is assumed, or rather it has been said that after the war the two organisations will revert to their previous condition. Can my Honourable friend give an assurance that if the Defence authorities take charge of the flying clubs now that they will revert to their present conditions after the war?

THE HONOURABLE MR. S. N. ROY : Undoubtedly. Whatever may happen at the present time to a flying club in order to quicken the pace of training which the Air Force require, the position will be restored after the war. That is our intention.

Then my Honourable friend Lala Ram Saran Das asked me to say whether these flying clubs will continue initial training for the Air Force. Initial training is the first stage in Air Force training. It includes drill and other ground training necessary for flying. No initial training is given in the flying clubs. What we do there is to give preliminary flying training. There are four stages in Air Force training—initial training, elementary training, service training and operational training. We have been giving preliminary flying training before the candidates are handed over to the Air Force and we think that this training is of very great value to the men selected for Air Force training. After the preliminary training, when they are taken over by the Air Force, they go into the Initial Training Schools. Then they are drafted to the Elementary Flying Training Schools, and so on. Now, as regards that particular question, as to whether we are going to continue preliminary flying training the position as I have said is that the Air Force intend to take over the whole training and two clubs have had to be closed down. So far as the other flying clubs are concerned, if they can be made use of in connection with the Air Force scheme, they will be kept alive. But I cannot at this moment give any assurance after the three months period that any particular school will continue to receive its subsidy. That would depend upon what use can be made of the club, but I will repeat what I have said once before, that it is our intention to try and keep these clubs in being as long as it is possible to employ them on some really useful work. In Madras, the Madras Government have a scheme of their own for giving flying training to some University boys, who form a sort of University Air Training Corps. This work should continue but even there I am not in a position to say whether some sort of change of control may not be necessary in order to achieve the objects of the Air Force. I must therefore ask the Honourable Member to take my assurance on behalf of Government that so far as possible we do intend to keep these flying clubs alive and if they have to be closed they will certainly be restored after the war.

The Honourable Member referred to training aircraft. It is true that most of these clubs, in fact all of them, have got small machines, Gipsy Moths and Leopard Moths. Those are not the machines I was referring to when I referred to training aircraft. Generally speaking, by training aircraft I mean Tiger Moths. The majority of these are the property of Government. Government have bought them and distributed them to the various clubs. These are the machines which the Air Force will require in connection with their expanded training scheme and if they do require them, if we have to hand them over for that training, if we also have to hand over instructors, it may happen that a particular club may be unable to carry on. In other cases we may have to use the flying clubs. I am not in a position to make any statement as to what we shall do in respect of a particular club after the three-month period, but I think I have said enough to show the Honourable Member our best at every step to encourage and help them in spite of difficulties of all kinds that have arisen from time to time, and the Honourable Member need have no fear that our interest in these flying clubs will become any less.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : I wish to make a few remarks and correct my Honourable friend—

THE HONOURABLE THE PRESIDENT : You are not entitled to make a second speech. But if you wish to make a few remarks, you can do so.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : The Northern India Flying Club at Lahore had a Tiger Moth for training before the Government gave them aircraft for training. I might also tell him what I understand from what he has said is that this elementary or initial training at the clubs will continue. That is what I have understood from him. If that is the case and in case Government is really serious to keep these clubs going and keep them alive, I may be given permission to withdraw the Resolution on the assurances given by the Honourable Mr. Roy.

The Resolution was, by leave of the Council, withdrawn.

RESOLUTION RE STANDING COMMITTEE FOR THE CIVIL DEFENCE DEPARTMENT.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Mr. President, the Resolution that I desire to move runs as follows :—

“ That this Council recommends to the Governor General in Council to constitute a Standing Committee of both Houses of the Indian Legislature for advising the Department of Civil Defence.”

The Department of Civil Defence was created into a separate portfolio after the expansion of the Executive Council and it is surprising, Sir, that whereas in other Departments we have Standing Committees, there is no Standing Committee attached to the Department of Civil Defence. There was a time when we had no Standing Committee attached to the Department of Defence, but that time has now disappeared. We have a Standing Committee, which is called the Defence Consultative Committee, attached to the Department of Defence. I do not know how and why it is that the Civil Defence Department goes without a Standing Committee of both Houses of the Legislature. Sir, you will perhaps allow me on this occasion to make a few remarks of a rather general nature about civil defence generally. The possibility of air raids can no longer be regarded as absolutely remote. His Excellency the Commander-in-Chief stated the other day that nobody could tell what Japan's next move would be. I am paraphrasing his speech and I am not reproducing his exact language. The importance of civil defence therefore is obvious. Now, Sir, the one thing which has struck me so far as civil defence organisation in the provinces is concerned is this. I am speaking particularly with reference to my own province. The organisation is largely, if not, exclusively in official hands. The suggestion that I should like to make for the consideration of the Honourable the Civil Defence Member is that the organisation of Civil Defence should be largely in non-official hands. There are, as the Honourable Member knows, provinces where no responsible government is functioning. In those places—I am particularly speaking with reference to those provinces—Government should have a central defence committee of respectable citizens belonging to different organisations, particularly social service organisations. Take, for example, my own province. There the most important social service organisation is the Seva Samiti, of which Dr. Kunzru is the President. Apart from the Seva Samiti, there are other social service organisations in the province. There are the Boy Scout organisations and all the representative men belonging to these organisations, representative men

[Mr. P. N. Sapru.]

belonging to political parties also, should be invited to serve on this body which would be the central body for the province. Not only should you have a provincial central body but you should also have local central bodies, that is to say, in each district the co-operation of the Municipal Board, of the District Board, of non-official citizens or of non-official social and political organisations should be invited and they should be formed into a committee and the direction of A.R.P. work should be largely entrusted to the care of these non-official organisations. Government will lend to them—that is my supposition—an officer of their own, who may be a civil officer or a military officer or a provincial service officer—they will lend an officer to these bodies and the officer will or ought to be required to work largely under the direction and control of these civil defence non-official organisations which you set up, because I think that the object of civil defence is to sustain the morale of the civil population and we know that morale counts in modern warfare. I need not emphasise that point as it was emphasised the other day by General Sir Archibald Wavell himself. Now I do not think that official agency, particularly in a country like India, is competent for the sort of work that the A.R.P. organisation is likely to do, I will tell you something about the nature of propaganda that is being done by the A.R.P. organisation.

THE HONOURABLE MR. E. RAGHAVENDRA RAO: The Resolution of the Honourable Member only recommends the creation of a Standing Committee. I think he should confine his remarks to the subject-matter of his Resolution.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: On a point of order, Sir. Is my Honourable friend not entitled to point out that he wants a Standing Committee in order to emphasise that the Department should listen to civil opinion as much as possible and should be associated with civilians, that is, non-officials?

THE HONOURABLE MR. E. RAGHAVENDRA RAO: I do not object to the Honourable Member discussing anything but whatever he discusses he should confine to the subject-matter of the Resolution.

THE HONOURABLE MR. P. N. SAPRU: Sir, the subject-matter of this Resolution is very wide. I want a Standing Committee to be attached to the Department of Civil Defence and it has been the usual practice of this House on Motions of this character to make observations of a general character. I am, therefore, entitled—I say this with all respect—to make general observations on the civil defence organisation as a whole.

I wanted to say something, Sir, about the propaganda side of civil defence work. First, Sir, when the war broke out the propaganda was somewhat in this form: "There is no danger of air attacks. There is no danger of India being attacked. You have only to think of other theatres of war. Do not be nervous at all". Today, Sir, when Japan has come to the very doors of India all this has changed and the poor labourer is told that he is in imminent danger of life; he is in imminent danger of property and that he must take precautions. He wants to know what are the precautions that he must take and my experience is that the men who run the organisation are not clear themselves as to the nature of the precautions that we must take. Some of them tell us, "Oh, you must dig trenches, take cover, etc.". Others give different advice. They speak with different voices. The result is that the poor worker knowing that this Government may or may not do anything for him gets frightened. He leaves his town in panic and the evacuation of not only Calcutta but other towns which are remote from Calcutta is going on and there is no one in

this vast organisation of civil defence to hearten or cheer the poor man. Why cannot you tell him the truth? Why cannot you tell him that generally military objectives are bombed; civilian population is likely to suffer but the suffering in other countries has not been so far as civilian population is concerned anything like what they imagine, and that the chance of a fellow being bombed is one in a million. Why cannot Government hearten these men? I am, speaking for myself, opposed to this evacuation business and encouragement of evacuation. I think, Sir, nations that deserve to live do not act like cowards; they face danger with courage, with determination, with resolution, and I am not blaming my own countrymen for showing lack of courage. I am blaming the men who are responsible for propaganda. I have known, Sir, in my Province the Director of Civil Defence say that Allahabad is within bombing range. I have known, Sir, the other authorities saying that Allahabad is not within bombing range and I have known as a result of these contradictory statements great panic in the city.

Then, Sir, you did not have formerly any blackouts. Now you are having blackouts. Well, it may be necessary to have blackouts in Calcutta and port towns or the towns which are near Calcutta, but is it necessary for you to have blackouts in towns which are far removed say 500 or 600 miles from Calcutta—where you are having blackouts it may be necessary for you to give a demonstration for three or four days a week, but is it necessary for you to have continuously these blackouts and then make the people think that danger is very near? Then if you have blackouts you must remember, Sir, the economic conditions in the country. You must remember that there is a lawless element in our country and you have a lawless element for the matter of that in every country, and they get an opportunity to commit larceny, theft, robbery, dacoity and all that sort of thing, which means that you must increase your internal security arrangements. You must increase your civic guards, you must have Home Guards, you must have your internal security troops, because unless you give a sense of security to the people in these blackout areas people will get panicky and they will start evacuating your towns and if they start evacuating your towns your industrial production will suffer; therefore your war supplies will suffer; therefore, Sir, there is need for a clear departure from the methods which have been followed by the A.R.P. organisations so far.

I have also, Sir, noticed a tendency on the part of A.R.P. workers to think that non-official organisations are no use and that they must merge their identity in the A.R.P. organisation. Now, Sir, we should all like to see such political conditions established in this country as may make it possible for all non-official organisations to merge themselves in one organisation but so long as such political conditions do not exist—

THE HONOURABLE THE PRESIDENT: Just let me point out to you that what you say is all right, what you say is all correct, but your Resolution simply says that a Standing Committee may be appointed to advise the Civil Defence Department. Does the Civil Defence Department need advice in that matter? What you say is correct that locally the Home Guards and others, who are in charge of it should form organisations and that is what the Honourable Member for Civil Defence also said. Please cut short your remarks.

THE HONOURABLE MR. P. N. SAPRU: I will cut short my remarks. I wanted to talk, Sir, about the conservancy arrangements, about the food arrangements, about the nursing arrangements, about the hospital arrangements, all of which are to be included in A.R.P. work. I think, Sir, that you need to enlist the co-operation of doctors, you need to have male nurses. If you cannot get male nurses you need to train young boys, all young people, in first aid work. Then

[Mr. P. N. Sapru.]

also you need to see that people get during air raids ample food supplies and that conservancy arrangements do not suffer, I mean all that is part of civil defence work.

THE HONOURABLE THE PRESIDENT: I quite agree that all this is very necessary, but your Resolution asks for the creation of a Standing Committee to advise the Civil Defence Department. Therefore please stick to the terms of your Resolution, though as illustrations you may cite these cases.

THE HONOURABLE MR. P. N. SAPRU: I feel, Sir, that no clear direction appears to have been given by the Central Government as regards the manner in which the A.R.P. work ought to be conducted, and I would, therefore, respectfully suggest to my Honourable friend Dr. Raghavendra Rao that he should convene again a Conference of all Provincial Civil Defence Departments to consider a common plan of action so far as A.R.P. measures and propaganda are concerned. There is need for co-ordinated effort. I am not blaming my Honourable friend the Civil Defence Member. I know that it is only recently that he has taken over charge of the Department. But I want him to consider the suggestion which I am making that he should have a conference of A.R.P. workers all over India in order to arrive at certain conclusions as regards the way in which A.R.P. work should be done in the various provinces. I do not say that complete uniformity is possible or desirable. Local conditions vary and there may have to be variations according to local conditions. But a consultation of this character will enable him to find out for himself what is being done in the provinces, what requires to be done in the provinces and how what is required to be done in the provinces can be achieved best with non-official co-operation and support. Sir, there is, as I pointed out, need for organising at this moment propaganda which would allay panic, and prevent the spread of false rumours and the disorganisation of essential services. The question raises many other points, for example, the question of adequate water supply in case of an air attack. We know what happened in Rangoon, how the A.R.P. organisation failed there. I am told that even in England experience has shown that non-official agency is better suited for A.R.P. work than official agency. Sir, I shall be, according to you, straying from my point if I were to consider these points and so I will not dilate on them any further. I will, before I close my speech, make an earnest appeal to my Honourable friend Dr. Raghavendra Rao to take up this question of convening an all-India conference of civil defence workers. We have the Advisory Board of Education, we have the Advisory Board of Public Health and we know what useful work these Advisory Boards have done. I do not see why we should not profit by the example of these Advisory Councils—the Council of Agricultural Research, for example, or the Advisory Board of Education or the Advisory Board of Public Health. I would earnestly ask my Honourable friend to take up this question of co-ordinated effort so far as civil defence is concerned, because the question of civil defence has assumed vast proportions.

With these words, Sir, I would commend the Resolution to the acceptance of the House.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA (Bihar: Non-Muhammadan): Mr. President, I wish to support the Resolution that has been moved by my Honourable friend Mr. Sapru, and I hope there should be no occasion again for the Honourable Member in charge of Civil Defence to take objection when I advance arguments in support of the proposition propounded in the Resolution. I heard the Secretary of the Civil Defence Department the other day speaking in another place for about an hour and a half and mostly talking about medical

supplies, hospitals and water supply, and I, therefore, thought that these should be considered subjects quite pertinent to this Resolution as well. Anyway, it is not my intention to go into these details. I shall only explain the reasons why I consider the constitution of a committee of the type suggested by the Honourable Mr. Sapru very essential for this Department. It is, Sir, a new Department, and it has been created for the purpose of meeting a special emergency. The emergency is of such a nature that the most essential condition of meeting it is to secure public co-operation. What is the way to do it? This Resolution is one step in that direction. His Excellency the Viceroy, the other day, issued an appeal to the people of this country for enlistment in what was styled as the National War Front. This Resolution, I suppose, is in conformity with the spirit behind that appeal and Government will be well advised to accept it.

Sir, the official practice in these matters has been so far very defective. The practice has been to leave the official to direct the policy and then in a spirit of trusteeship to expect the non-official to do the propaganda and win support for the official scheme. I consider this position wholly unsatisfactory. It should in fact be just the contrary of what it is. The people should be made to feel that the policy in these matters is directed by the representatives of the people and that the official only executes it in effect.

Sir, the exigencies of the present situation require that the morale of the civil population should be raised. It can only be raised by increasing the concern of the people in their own defence, by creating a feeling of responsibility, and by giving the country some status which it would like to preserve.

Sir, I consider it a very fine augury of the present times that even the Congress organisation, which is the only organisation in this country which had been not co-operating with war efforts or at any rate had been indifferent to war efforts, is now showing a tendency to co-operate with Government in the matter of civil defence. Maulana Abul Kalam Azad is reported to have said, yesterday, that the time has come when officials should ask for Congress co-operation in A.R.P. work. Already, in Bengal, at the request of the Ministers, he said, when they had agreed to constitute a non-official controlling authority, he had permitted the representatives of the Provincial Congress Committee to offer co-operation. He further stated that if in other provinces such non-official bodies were to be set up, he would have no hesitation in allowing the Provincial Congress Committees to send their representatives thereon for service to the people. I think, Sir, this offer should be taken advantage of by Government and at least one common platform should be created where a public organisation like the Congress and a Government organisation like the Civil Defence Department should work in co-operation and in full sympathy with each other.

The Honourable Mr. Sapru made a brief reference to blackouts and I should like to know if Government are able to say what exactly their policy is with regard to blackouts; because, I was surprised that my own town of Muzaffarpur, which is rather in the interior in North Bihar, was about the very first to be declared an emergency area and we had blackouts there causing unnecessary panic, and nobody has so far understood what the policy of the Government is.

Then there is one more question which I would like to ask. In the Gazette of India dated 7th March, 1942, an Ordinance was published to constitute a Civil Pioneer Force for service in British India and to provide for its organisation, control and discipline. I should like to know if this Civil Pioneer Force is to be controlled and administered by the Civil Defence Department or—

THE HONOURABLE MR. E. RAGHAVENDRA RAO: Labour Department.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA: That is all I want to say with regard to this Resolution and I hope Government will see their way to accept it.

THE HONOURABLE MR. E. RAGHAVENDRA RAO (Civil Defence Member): Sir, I have listened with considerable interest to the speech which the Honourable mover of this Resolution made. So far as the subject-matter of the Resolution is concerned, let me assure him, and his friends who supported the Resolution, at once that Government have great pleasure in accepting the Resolution and will in due course create a Standing Committee of the two Houses to advise the Government in the Civil Defence Department. (Applause.) I hope this satisfies the Honourable Member.

Then, Sir, the Honourable Member raised certain other questions which in my opinion are such as give insufficient notice to the unfortunate Member in charge to be able to reply correctly and scientifically. He then raised the question of Allahabad City. I may assure him, Sir, that Allahabad City is the safest city in the United Provinces. He need have no anxiety about it either from the south or from the north. In addition to that I am glad to say the United Provinces Government are taking ample precautions, extra precautions which are not strictly necessary. He may rest assured in the confident hope that there will be no attack on the City of Allahabad either from the south or from the north.

Then an Honourable non-official Member raised the question of a Conference. Perhaps he does not know that after I took over the charge of this Department I held an All-India Conference at which we laid down the main principles on which the Civil Defence Department is to work, and it is I think too soon to call another Conference. It was the largest Conference that we have held in Delhi, and all Departments and representatives from every Province, both officials and non-officials, attended. I do not think it would be wise to hold another Conference. The people in the Provinces are very busy working out their own plans.

Then, Sir, the Honourable Member raised the difficult question of the co-operation of non-official agencies in India. So far as we are concerned I can assure the Honourable Member that we would be only too glad to receive the co-operation of any agency and we make no distinction between political parties and non-political parties. It is for the Honourable Members to offer co-operation to the Provinces, and I am sure all Provincial Governments will be only too pleased to receive their co-operation.

I have answered almost all the points which the Honourable Member has raised, and with this submission I reiterate that the Government is pleased to accept the Resolution which the Honourable Member has moved.

THE HONOURABLE THE PRESIDENT: Resolution moved:—

"This Council recommends to the Governor General in Council to constitute a Standing Committee of both Houses of the Indian Legislature for advising the Department of Civil Defence."

Question put and Motion adopted.

(The Honourable Mr. G. S. Motilal was not present to move the Resolution against his name.)

RESOLUTION RE EASTERN GROUP SUPPLY COUNCIL.

THE HONOURABLE MR. M. N. DALAL (Bombay: Non-Muhammadan): Sir, I move:—

"That this Council recommends to the Governor General in Council that immediate steps be taken to require the representative of the Government of India on the Eastern Group Supply

Council to submit a detailed report of his activities on the Council with special reference to the establishment, expansion or development of any new or existing industries in this country at an early date, and to place the same before the next session of the Central Legislature."

Mr. President, in view of the grave international situation and the very bad turn in the Far East the prevalent impression is that what is being done is not sufficient. A categorical explanation of the activities of the Eastern Group Supply Council and a critical examination with immediate thorough reorganisation of the body would clarify the situation and inspire confidence and put the country's war efforts on a proper and sound footing. The Eastern Group Supply Council, ushered in with a fanfare of trumpets following the Report of the Roger Mission, remains to this day a veritable Cinderella to Indian industrialists. Whether this Cinderella possesses the charm and beauty which her chaperons claim for her is a matter worth investigating. The activities of the Roger Mission itself, which fathered the Eastern Group Supply Council, were questioned by the industrial community in India from the very beginning, and subsequent experience has proved that the missionaries of the Roger Church did not contemplate seriously the salvation of heathen India. Sir Walter Massey Green, who led the Australian Delegation to the Eastern Group Conference, made no secret of his aspirations when he said at Calcutta that—

"It was manifestly unwise in time of war for one part of the Empire to start some war industries *de novo* and go through all the teething troubles, if another part has got so far past the stage, that it could supply the needs of the whole by expansion or development of its existing resources."

Sir Walter no doubt was actuated by a laudable motive, but he manifestly forgot that by saving India its teething troubles he was condemning this country to perpetual toothlessness. He also forgot that during the then 14 months of the war Australia had established and expanded the armament and ship-building industry on a sound and secure footing.

The Association of the Representatives of the British Federation of Industries and the United Kingdom Commercial Corporation and the impending Technical Mission from America have created doubts in the minds of the people of this country. India was informed by Mr. M. S. A. Hydari about the middle of 1941 that—

"it is not for the Council to concern itself with economic planning; its purpose is mainly the efficient procurement of war supplies using the group as a vast unit of supply."

But, Sir, what assurance has this country that where there are alternative sources of supply India will get a square deal, and when it comes to establishing new industries or expanding our existing industries India's claim will not be ignored? The Supply Member has said in reply to a question in the Assembly on the 27th October, 1941 that—

"the Council has no power to over-ride a decision by a Group-country to establish a new industry or expand an existing industry on its own account."

The information conveyed is that the Council has done whatever it could and it is not to be saddled with the responsibility for starting new industries in this country. These statements are contradictory to the statements made by the Government spokesman that the best possible use of materials, potential as well as available, in this country is being made use of to conduct this war.

In this connection a brief survey of the lacunae that exists in the industrial expansion of this country and the inadequate preparations, military and otherwise, which have been taken, is worth a few comments. I admit, Sir, that industrialists have been able to get a little better price for their commodities, but to say that there has been a vast industrial expansion in this country is a gross over-statement,

[Mr. M. N. Dalal.]

except perhaps in the case of iron and steel, coal and cement for which Government have at the moment stopped giving statistics. Take, for instance, the Indian production of cotton manufactures which amounted to 4,269 million yards in 1938-39. Today it is very much the same. The production of jute manufacture (including twisted yarn) in India amounted to 1,222 thousand tons in 1938-39. Today it is the same. The Indian tea production amounted to 371 million lbs. in 1938. In 1941 it is a little over 394 million lbs.

On the 29th November, 1941 the General Manager of the Tata Iron and Steel Company complained that India had been kept dependent upon foreign countries and it was not until late in 1941 that orders were placed with Tatas for the manufacture of tyres, wheels and axles for rolling stock. The Chief Commissioner for Railways in his Budget Speech has told us what poor progress we have made in the manufacture of locomotives. The Honourable the Finance Member in his Budget Speech has told us that we have made very slow progress in ship-building and aircraft manufacture. After two and a half years of this war we have not even been able to make a start on the automobile industry in India. The heavy chemical industry and the major engineering industry cannot be said to have been developed to any great extent. Sir Padamji Ginwalla has recently written a series of very interesting articles in the *Statesman* on the loss of tonnage and the muddle that exists in the steel industry. As regards the difficulties for obtaining plants and moving them, may I quote Sir Padamji? He says—

“As we know plants have been bodily transferred from one part of Russia to another and back again, and the President of the United States stated not long ago that some of the new plants are to be transferred from the Pacific Coast where they are vulnerable to the interior. Coming nearer home, unless my memory is gravely at fault, a fairly large blast furnace at Batelle in Alabama, U.S.A., was during the last war dismantled, shipped to India and re-erected at Jamshedpur. It is therefore idle to plead that some at least of the plants which can almost immediately be used for the production of war materials and eventually converted to peace-time requirements cannot be provided for India because of the war”.

The argument about the lack of trained personnel has been over-worked. It is no use disillusioning ourselves by saying that 90 per cent. of the war requirements are manufactured within the borders of this country, for when I think of tanks and anti-aircraft guns I get a rude shock.

In any case we have to make a beginning; otherwise more time will be wasted and a cataclysm might overtake us and there will be no chance of preserving ourselves from eternal misery. The loss of Malaya, the fall of Singapore, the partial occupation of Burma and the impending attack on Australia and India has brought about an unprecedented change. The present situation is such that a radical change is necessary to save Great Britain and her mighty British Empire. You must take the people of this country into your confidence and submit a detailed report of the Eastern Group Supply Council, which would dispel suspicion. We have a right, Sir, to be told what this Council has done and what it is capable of doing. We are all for unstinted war efforts, but what we desire is, that our country should be kept in the vanguard of economic progress as any other civilized country of the world.

THE HONOURABLE MR. A. DEC. WILLIAMS (Defence Co-ordination Secretary): Sir, Government have every sympathy with the object underlying this Resolution, namely, the establishment, expansion and development of new or existing industries in this country. But having said that, I regret that I am unable to accept the Resolution in the terms in which it is expressed. The Resolution, I fear, indicates some misapprehension of the constitution and functions of the Eastern Group Supply Council. Its constitution is such that it cannot be regarded as an appendage, or as in any way subordinate, to the Government of India. The Chairman and one of its Members

represent His Majesty's Government in the United Kingdom and the Army Council, respectively. The other four Members represent Australia, New Zealand, South Africa and India. The major part of expenditure on the maintenance of this body is borne by His Majesty's Government. Of the general cost of administration half is borne by His Majesty's Government and the other half is shared between the Member-countries. Of this cost India's share amounted in 1941-42 to about Rs. 1½ lakhs and in 1942-43 it is expected to amount to about Rs. 2½ lakhs. The cost of the Member-countries' representatives is borne by those countries themselves; but on the other hand the cost of the expert advising staff, all of which are officers of His Majesty's Government, is entirely borne by the United Kingdom. It follows therefore that the Government of India are in no position to direct or to undertake that this body should submit a report to the Indian Legislature.

As for the functions of the Council, they are to secure the maximum possible co-operation and co-ordination amongst the Member-countries for establishing and using the capacity of the Eastern Group for war supply. The Honourable Member will see from this that the Council is what may be described as a corporate body. It has, so to speak, its articles of association. It has its own duties, quite apart from the responsibility of its constituents to their own countries. In fact, its main responsibility is collective. At the same time the individual representatives are not only under a responsibility to their own Governments, but they must be guided by the policy of those Governments. It, therefore, follows that in so far as any individual member can be said to be responsible for what is or is not done, any question which may arise as to the action taken or not taken should be directed, not to the individual member, but to the Government which he represents. The subject which the Honourable mover has at heart is mainly the concern of the Supply Department of this Government, or, to some extent, of the Commerce Department, and it is from those Departments that he should ask for information and for a report of the nature which this Resolution seeks.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Why is the Honourable Member then replying? Why does he not ask a representative either of the Supply or of the Commerce Department to reply?

THE HONOURABLE MR. A. DEC. WILLIAMS: I am under the painful necessity, Sir, of dealing with the Resolution as it stands.

From what I have said, I trust that the Honourable mover will get the general picture—that this Council is designed for helpfulness towards the common war effort. Frankly, it is not the responsibility of the members of this Council—to put it crudely—to push the interests of their own countries. Undoubtedly, as a result of the work of this Council, whatever the Honourable mover may have said, there has been an enormous expansion and increase in the industries of India.

On the munitions side, it is clearly not in the public interest to give any details; but on the general, or what I may call the “stores” side, there have been striking developments. For instance, in the month of September, 1939 the number of articles of clothing produced were about a quarter of a million; in November, 1940 they were 8 millions. Again, leather manufactures in April, 1941 were to the value of Rs. 64 lakhs and in January, 1942 Rs. 168 lakhs.

I have not got the figures of the production of timber, but I can assure the House that it is enormous.

As for new industries, a very considerable number have sprung up. Capacity for the manufacture of hitherto unproducable chemicals, sera, surgical goods and even small machine tools has been induced by the activities of the Supply Department and indirectly by the activities of the Eastern Group Supply Council.

[Mr. A. deC. Williams.]

The engineering capacity of India, to which I think the Honourable mover referred, is of a somewhat peculiar nature. Hitherto it has not been generally specialised; it is more of what one might describe as a jobbing character—a single concern is apt to cater for heterogeneous purposes. At the same time, in pursuit of the war effort, the engineering industry in India has displayed very considerable ingenuity in devoting itself to various forms of specialised production.

I may further add that on what I have described as the general stores side it is hoped in the period 1942-43 to show at least a 50 per cent. advance on the 1941-42 figures.

I think it was in answer to a question in this Council that I gave the information that the very impressive total of Rs. 230 crores worth of orders have been executed by the Stores Department up to the end of last year. I do not think that it is fair in the face of facts of this character—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What does the Honourable Member mean by "up to the end of last year"? Does he mean up to the end of December last?

THE HONOURABLE MR. A. DEC. WILLIAMS: Up to the end of 1941.

In the face of facts like these, I think it is rather unfair to assert that there has not been substantial progress on the industrial side in this country; and, as I have said before, if despite these facts the Honourable Member is not satisfied he should address himself to the appropriate Department and not to the representative of India on the Eastern Group Supply Council. In that connection I would like to take this opportunity of expressing the appreciation of Government of the constant vigilance of their representative on the Council in the interests of Indian industry.

Having regard to what I have said, Sir, and having regard to the very real sympathy which Government have with the underlying object of this Resolution, I trust that the Honourable Member will not wish to press it.

THE HONOURABLE MR. M. N. DALAL: We have a very heavy agenda on the programme today and it is not my intention, therefore, Sir, to delay this House any longer. However, I think the reply given by my Honourable friend Mr. Williams is rather disappointing. One of the arguments used by my Honourable friend is that the Eastern Group Supply Council does not deal in heavy armament. I have not said, Sir, that the Eastern Group Supply Council deals in heavy armament, but I merely pointed out the lacunae that exists in the industrial structure of this country. Another argument I think my Honourable friend used was that Great Britain pays 50 per cent. and the balance is made up by the Group countries. I should like to know, Sir, as long as India pays for its representative and his staff on the Eastern Group Supply Council are we not entitled to know what the Council has done and what the Council is capable of doing? I, for one, Sir, feel that Government should not have opposed or shown a lukewarm attitude on such a modest Resolution. I am not asking for any Defence secrets; I am merely asking for a report from our representative on the Eastern Group Supply Council with all the wealth of information which would have enabled people and the Government to take the requisite joint action. I feel, Sir, that Government are taking shelter under the veil of official secrecy. However, in view of the sympathetic reply given by my Honourable friend I think I should withdraw the Resolution.

The Resolution was, by leave of the Council, withdrawn.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE THE PRESIDENT: Before I adjourn the House I wish to announce the results of the elections.

With reference to the announcement made by me on the 10th March, regarding nominations to the five Committees, I have to announce that the following Honourable Members have been nominated for election to the Central Advisory Council for Railways:—

1. The Honourable Lt.-Col. Sir Hissamuddin Bahadur.
2. The Honourable Haji Syed Muhammad Husain.
3. The Honourable Sir David Devadoss.
4. The Honourable Sardar Bahadur Sobha Singh.
5. The Honourable Kumar Nripendra Narayan Sinha.
6. The Honourable Sirdar Nihal Singh.

There are six candidates for six seats and I declare them duly elected.

STANDING COMMITTEE FOR ROADS, 1942-43.

THE HONOURABLE THE PRESIDENT: The following Honourable Members have been nominated for election to the Standing Committee for Roads:—

1. The Honourable Mr. Abdool Razak Hajee Abdool Suttar.
2. The Honourable Mr. R. H. Parker.
3. The Honourable Rai Bahadur Lala Ram Saran Das.

There are three candidates for three seats and I declare them duly elected.

STANDING COMMITTEE FOR THE DEPARTMENT OF SUPPLY.

THE HONOURABLE THE PRESIDENT: The following Honourable Members have been nominated for election to the Standing Committee attached to the Department of Supply:—

1. The Honourable Sir Rahimtoola Chinoy.
2. The Honourable Mr. M. N. Dalal.
3. The Honourable Mr. P. N. Sapru.

There are three candidates for three seats and I declare them duly elected.

STANDING COMMITTEE FOR THE DEPARTMENT OF COMMERCE.

THE HONOURABLE THE PRESIDENT: The following Honourable Members have been nominated for election to the Standing Committee to advise on subjects in the Department of Commerce:—

1. The Honourable Haji Syed Muhammad Husain.
2. The Honourable Sir Suleman Cassum Haji Mitha.

There are two candidates for two seats and I declare them duly elected.

STANDING COMMITTEE FOR THE DEPARTMENT OF COMMUNICATIONS.

THE HONOURABLE THE PRESIDENT: The following Honourable Members have been nominated for election to the Standing Committee to advise on subjects other than "Roads" dealt with in the Department of Communications:—

1. The Honourable Saiyed Mohamed Padshah Sahib Bahadur.
2. The Honourable Mr. Abdool Razak Hajee Abdool Suttar.
3. The Honourable Mr. N. K. Das.

There are three candidates for three seats and I declare them duly elected.

THE HONOURABLE THE PRESIDENT: This is a convenient time to adjourn. When we meet after Lunch, the Honourable Mr. Kunzru will move his Resolution. At 4 P.M. we will proceed with the debate on the Adjournment Motion. We will now adjourn till 3 P.M.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: It is only 1-20 P.M. now. There will be a sufficient interval if we meet again at 2-45 P.M.

THE HONOURABLE THE PRESIDENT: You did not exactly follow me. I never said that if the debate on your Resolution is protracted and is not finished, it will be terminated. The debate will be postponed to the next available non-official day.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: It is a very full day, Sir.

THE HONOURABLE THE PRESIDENT: It is not my fault.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Honourable Sir David Devadoss in the Chair.

RESOLUTION *RE* APPOINTMENT OF INDIANS IN THE INDIAN CORPS OF ENGINEERS, ETC.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. President, I beg to move:—

"That this Council recommends to the Governor General in Council that immediate steps be taken to provide that Indians are freely appointed as officers in the Indian Corps of Engineers, Indian Artillery and Mechanized Cavalry."

Sir, the army in popular estimation generally means the infantry and the cavalry, but as we know, no army can be complete without its scientific and technical services. Formerly the Indian Army Ordnance Corps, Engineers and Artillery were the main scientific and technical services; but the Cavalry may also now be regarded as belonging to the same category as it has been or at least is being mechanized. Experience of war at the present time has shown the great importance of these services. It is therefore necessary if we want to have an Indian Army to see to what extent Indians are being admitted to these technical services. The Infantry is of

course open to Indians and so was the Cavalry of the old time. This should not, however, create the impression that even now a majority of the officers selected for appointment in connection with the war consists of Indians. Such an impression would be very far from being true. The Additional Defence Secretary pointed out in another place during the last session, that only about 25 per cent. of the Emergency Commissions have been given to Indians including statutory Indians, that is, Anglo-Indians. But so far as the Artillery and Indian Corps of Engineers, which is the name now given to the old Sappers and Miners, and mechanized cavalry are concerned, I am afraid that the position is even more unsatisfactory than it is in regard to the Emergency Commissions in general.

Sir, I put a question in November last to find out what was the number of Indian and of British cadets undergoing training at the Cadet Wing of the Artillery School at Deolali. I was told that information could not be supplied but that the proportion of Indian and of British cadets was 15 and 85, respectively. I should add, however, that the British cadets were to be employed in both the Indian and British artillery units. It is clear from this reply that if we want to get any true picture of the position of Indians in the Indian artillery units, that is artillery units belonging to the Indian Army which are not part of the Royal Artillery, we should know what the proportion of Indian and British officers in the Indian wing actually is. This information too was supplied to me last November. I was told that the actual percentages of British and Indian officers in the Indian artillery wing were "British 86 per cent. and Indian 14 per cent." No fixed proportion has been laid down, but those were the proportions in the month of November, 1941. It is clear from these replies that the position of Indians was extremely unsatisfactory in November last. It appears from the reply given by my Honourable friend Mr. Williams to a question of mine this morning that the position has not improved at all. He said that the present proportion of Indian commissioned officers in the Indian Artillery was one to seven exclusive of Royal Artillery officers attached to Indian artillery units. This means, Sir, that only 14 per cent. of the officers are Indian. The proportion will be smaller still if this reply is taken to mean that there is one Indian military officer to seven British officers?

THE HONOURABLE MR. A. DE C. WILLIAMS: Yes, that is correct.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: One Indian to seven British officers. If that is so, then it appears that out of every eight officers only one is an Indian. This shows that the proportion of Indians is only 12½ per cent. This means that it has decreased during the last three or four months. We have every right to expect that in the essential services in our own country the number of Indian officers will go up, particularly as the military authorities are constantly asking us to come to their aid and to supply them with young men who will be prepared to lay down their lives for their country. But they still seem to be extremely reluctant to appoint Indians to important services.

Now, Sir, I will pass on to the Indian Corps of Engineers. I do not know what the proportion of Indian officers in November last was, nor do I know what was the proportion of cadets under training at the time. But we know now from the reply given by the Honourable Mr. Williams to which I have referred already that in the Indian Corps of Engineers, there are two Indians to seven British officers exclusive of the Royal Engineers employed with the Indian Corps of Engineers. This means that out of every nine officers only two are Indian. In other words, Indians form about 22 per cent. of the total number of officers. The position here is better than in the Indian artillery units, but not such as to give satisfaction to any Indian. The position of Indian officers here is as backward practically as it is in the other services. Honourable Members must have noticed that these proportions, that is the proportions to which I have drawn their attention, exclude the Royal Artillery

[Pandit Hirday Nath Kunzru.]

Engineers employed with Indian units. This means that if the total number of officers in the Indian Corps of Engineers is taken into consideration, the Indian proportion will be even less than what I have stated it to be. This shows how disquieting the position is. It shows the reluctance, the extreme reluctance, of the Government to take Indians into these services. For a long time these services were regarded as the preserves of Britishers. Indeed the Army Reorganisation Commission of 1859 laid down that Indians should never be admitted to these services. It is more than three-quarters of a century since that Commission reported. But even now the policy of the authorities seems to be influenced by ideas and suspicions that were responsible for the recommendations made by the Army Reorganisation Commission to which I have just drawn attention.

I will now pass on to the Mechanised cavalry. Here we have been told that there is one Indian officer to four British officers. In other words, Indians form only 20 per cent. of the officer cadre. Out of every five officers one is an Indian. Consequently, the percentage of Indians in the total cadre is only 20. I asked for information this morning regarding the proportion of Indians under training at the Fighting Vehicles School at Ahmednagar which trains officers for the Mechanised cavalry. I was not given that information on the plea that as the number of cadets was changing and there was no fixed proportion between Indian and British cadets, any information that might apply to the candidates at the present time would cease to be of any value very soon. The same argument might have been used to refuse information with regard to the percentage of Indian and British officers in the Cadet Wing of the Military School in November last. But perhaps it did not occur to the military authorities then that they should not give it. It has perhaps occurred to them now that they should not supply the information I had asked for, because either the situation in respect of the Fighting Vehicles School is no better than it was in respect of the Artillery School or is even worse. I should not be surprised if it is worse. Indeed, from the information that has reached me, it seems to me that the number of Indian cadets or officers under training there is even smaller than it was at the Artillery School. It is quite true that the proportion of Indian officers varies, but I understand that it was never high and that it was very small in comparison with that of British officers.

Sir, the figures which I have placed before the House show that whatever might be said in theory, Indians are not being freely admitted to the higher ranks of the Indian Corps of Engineers, Indian Artillery and the Mechanised cavalry. Now, the authorities, when charged with having kept Indians out of these services, have always replied that they have not succeeded in securing cadets of the proper stamp. This is an argument which has been frequently trotted out in the past with regard to every service. It is not one therefore which is likely to carry much weight, at any rate with the non-official Members of this House. But let us examine it for what it is worth. Take the Indian Artillery. The information that I have been able to obtain shows that although the attitude of British officers in the beginning was sympathetic to the Indian officers, but things underwent a change about one and a half years ago. Two Indian officers had to resign their commissions. Some others were transferred from their units. Technically they may be doing work connected with the artillery but I understand that they would not have left their units but for the attitude of their higher officers towards them. Now the officers concerned generally speaking were those who had been well spoken of by their previous commanding officers. No sudden deterioration could occur in them in the course of a few months. It would be reasonable to draw from this the inference that the fault lay so much not with the cadets themselves as with the point of view adopted by their officers. The position of a military officer *vis-a-vis* his superior is an exceedingly difficult one and an Indian officer labours under even greater disadvantages than a British officer of the same rank.

Apart from what I have said, Sir, with regard to the Indian Artillery I should like to bring another fact to the notice of Government. I have been told and I think reliably that there have been instances in which Indian officers have had as their battery captains British officers junior to them. I do not know how Government can defend such a procedure. Of course, the Indian Artillery is not the only Service in which a senior Indian officer has been placed under a junior British officer. I know of several other cases too in which this has occurred, but I am for the time being concerned only with the Services mentioned in my Resolution, and so the instances that I have given show how discouraging were the conditions under which the Indian officers had to work. No wonder that they got disheartened and that some of them resigned and some of the others sought relief by accepting a transfer to other units.

Now, Sir, take the Indian Corps of Engineers. As its name shows it is a Corps consisting of highly trained men, that it is a body of men who have received a high degree of technical training but this is so in theory where Indian officers are concerned. Now I do not mean to say that all the British officers who have been taken are men with no qualifications but why are Indian cadets being strictly treated and asked to show initiative, personality and character in the highest degree possible? This blessed formula is not applied impartially to British cadets. I have been supplied with instances in which men with no previous technical training have been appointed to this Corps. They may have been given some training after joining it but in one or two instances I understand that no training was given even subsequent to their appointment as officers. This is the difference, Sir, that is made by the British authorities between Indian and British cadets. They may take a man from a jute factory who had not been working there as an engineer at all and appoint him to a post—and a pretty high post—in the Indian Corps of Engineers. Similarly, they may take a sergeant from a workshop, give him a commission and then promote him rapidly. There is, Sir, an Indian V. C. in the Indian Corps of Engineers. The authorities have made much of the fact that he has been made a Captain now—a temporary Captain in consequence of the accelerated promotion granted to him—but there is at least a fair number of British cadets who though not possessing high qualifications have been promoted to even higher posts, who have become majors and lieutenant-colonels within a very short period.

I could give, Sir, similar instances with regard to the Mechanised cavalry. Very few Indians are being trained for it and consequently there is a great deal of dissatisfaction among the Indian officers themselves who find the discrimination made between them and their British colleagues even more galling than we do.

This is a state of things, Sir, which calls for an urgent remedy. The British Government cannot ask for our wholehearted help, cannot ask us to look upon the war as our own war and yet keep us out of the most important Services and treat us as pariahs even in the army of our own country. The figures that I have given, Sir, show that the schools that have been established in this country are really schools for the training of British officers and not schools for the training of Indian officers, although at least a large part of the cost of such institutions comes out of Indian revenues.

Mr. President, I do not want to prolong this debate but the facts that I have placed before the House show how serious the condition is, how shameful is the difference in the treatment of British and Indian cadets and how necessary it is that this disgraceful state of things should be ended without a moment's delay. We have been told that Indian young men of the requisite qualifications are not available. I have already said that trained Indian engineers have been rejected on the ground that they did not possess initiative, personality and character and Europeans with scarcely any qualifications have been taken. Indeed, Sir, it is within my own experience and the experience of my friends that people who were loafing about before the war have been able to get commissions and to rise more

[Pandit Hirday Nath Kunzru.]

rapidly than Indian officers. I do not say that things have been as bad in the technical services as in the other non-technical services, but here too such things are occurring. Besides if Indian officers have shown in Libya and Abyssinia and in other theatres of war that they do possess initiative, personality and character, when their qualities as officers have been borne testimony to both by the Secretary of State for India and the Commander-in-Chief it does not lie in the mouth of any other authority in India to say that Indian youths do not possess initiative, personality and character. If the Indian authorities have not been able to get from the Officers' Training Schools at Bangalore and Mhow the number of officers that they needed for those technical services what special efforts have they made to secure them? Did they issue any appeal on the subject? Did they go to the Universities? Did they make any special effort to get qualified Indian graduates in science and mathematics? I am not aware that any effort of this kind has been made. Sir, it seems to me that the excuses given by the authorities for keeping down the number of Indians in the services to which my Resolution relates are of the same kind as their excuses for not appointing Indians in larger numbers in the other Services. These are excuses which have no reality. The only reason for it is the desperate effort which the military authorities are making even now to keep the Indian Army under the leadership of Britishers. This is the real cause of the backward position of Indian officers in the three Services to which I have drawn the attention of the Government. Sir, the position, as I have shown, is exceedingly grave. It is indeed outrageous and I trust that every non-official Member of the Council will consider it his duty to extend his warm support to my Resolution.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, I rise to support the Resolution so ably moved by my Honourable friend Pandit Kunzru. I am very sorry to find that this House has to discuss such Resolutions at this juncture. We are accustomed to be told in season and out of season that young men of the requisite type are not available for the fighting services in India. But that theory, propounded by the Government, has long been exploded. In fact, Government has accepted now, after the outbreak of war, that young men of the requisite type are available and also are ready to lay down their lives for the fighting forces of India in the interests of their country. The highest authorities have testified to the courage, gallantry and suitability of our Indian young men. If that is the position, then I submit that the Government or the authority responsible for this state of affairs do not trust Indians and therefore do not want Indians to be recruited for these technical services. Sir, if in the non-technical services of the fighting forces the Government could obtain several thousand Indians as Emergency Commission officers, I fail to understand why they should not obtain the requisite type of Indian youths for manning these technical services. As we see from the reply given this morning, the proportion of Indian officers in these technical services has decreased and not increased. In 1941, according to the answer given to the question of my Honourable friend Pandit Kunzru, we had 15 per cent., and now we have got about 12 or 12½ per cent. That shows that the authorities who are responsible for administering these services do not want the requisite kind of Indian youths to enter these key positions. I have received complaints from some of my young friends whom I have sent to the fighting forces in India that some of them were transferred to non-technical services and some were made to resign. I have also received complaints to the effect that the subordinate European military staff does not like that Indians should be in these key positions. However much the Government may make a show of change of policy and say that they want more Indian youths to come into these services, their subordinate staff is still following the old policy of not trusting Indians and not taking them into these fighting services. Sir, we have started training schools. We pay for those training schools. The Indian taxpayer bears the increasing burden of paying taxes every time more and more

for training our youths and not the British youths. We are responsible for defending our country. We are asked to create a national front. I put it to the Government and to those who are in power whether this is the right method to create a national front for the defence of India? Sir, I do not want to use harsh words, but it pains my heart to see that in the year 1942, when the war is at the very gates of India, the same old policy of distrust is being followed in the General Headquarters. I think that even now, though late, the authorities must change their attitude and see that Indian youths of the type they require do come in very large numbers in these technical as well as non-technical services and take a proper share in the defence of their country.

Sir, my Honourable friend has dealt with this question so ably that I do not think I should take up the time of the House more and add to it. But I must sound a note of warning to Government that if they continue further in this policy of distrust, there is no hope of creating a national front.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadian) : I rise to support the Resolution which has been so ably argued by my Honourable friend Dr. Kunzru. I am one of those who are of opinion that the present war should be won and that causes of discontent among the people should be removed. My information is, and if I am wrong the Honourable Mr. Williams will put me right, that even the recommendations of the Skeen Committee as far as Indianization is concerned which were accepted by the Government of India were not translated into practice, and for a few years pace of Indianization amongst Defence officers in accordance with the pledge given by the Government was not made. This has led Indians to think that the policy of the Government in pace of Indianization has been reversed. Another point which has added discontent among Indians was the creation of the Indianized units. A great deal has been said about that segregation because it was the result of racial discrimination and hatred. I was under the impression that Government had realised this mistake and that now there were no purely Indianized defence units in existence. In the Skeen Committee Report it is mentioned that there was fall in numbers of British officers for service in India as they disliked serving under Indians in various Government defence services, but a responsible official assured Britishers that in the defence services they would not be put under the command of a blackie. That impression still continues because pace of Indianization instead of improving is getting worse. I would like the Honourable Mr. Williams to say here whether that policy, that British officers will not be placed under Indian officers, is still continuing or if it has been put an end to. Let this matter be made clear because people are under the impression that this fact which was borne out in the Skeen Committee Report has been put an end to. My information is that two Indian officers in defence units who attained their majority and who were about to be put second in command of units and who were likely later on to be put on as commanders were transferred to auxiliary units and thus deprived of the subsequent command. I do not like to give names here but my object in putting this matter forward is that for the sake of the increased war effort there should be no discontent left among the people on account of racial discrimination and consequential segregation in Government services. I want that Indians should be allowed to enter all units; there should be encouragement of comradeship and brotherhood amongst all officers. I have heard that a number of retired officers have been recalled to join the defence services. We have a gallant Indian officer here, in Colonel Sir Hissamuddin. We do not find that he has been recalled and put in command of a regiment although he was the first Indian who did command a regiment. That shows what my Honourable friend the mover said, that there is still mistrust left in the mind of the Government. I say this because I want the war effort to become supreme. Let there be comradeship among the Indian and British officers. I want all incidents which are the result of racial hatred to end, such as the treatment accorded to Mr. Trivedi, lately the Chief Secretary of the Central

[Rai Bahadur Lala Ram Saran Das.]

Provinces and the incident at Allahabad the other day. The Defence Department is noted for its discipline. These incidents show how that discipline which has lasted so long is now being undermined. I therefore request the Honourable Mr. Williams to say whether that policy of a Britisher not being put under the command of a blackie still exists, and whether Indianized units are still in existence or has that policy been put to an end. I do not want to say any more on the subject, but I must say that there is still discontent in the public mind as it is preventing the war effort reaching its full measure.

With these words, Sir, I support the Resolution.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, I should like to lend my support to the Resolution which has been moved with his usual ability by Dr. Kunzru. Dr. Kunzru has pointed out that progress in the direction of Indianization has been very, very unsatisfactory. We have about 25 per cent. of the Emergency Commissions given to Indians. I think that it was possible, if sufficient enthusiasm was roused among young men and if a proper approach was made, to have a very much larger number of young men as emergency commissioned officers than we have at the moment. I know that in some cases young men who applied for Emergency Commissions were refused, but they are being asked for now when the need is for increasing the number of officers. I say that that is not the right way of creating enthusiasm. That is a sure way of damping enthusiasm and I regret that it has never occurred to our imaginative Government to realise that after all Indians have a right to expect fair treatment in the land of their birth.

Then the Honourable Dr. Kunzru has given us figures of Indian officers in the Indian Corps of Engineers, the Indian Artillery and the Mechanized cavalry. In the Indian Artillery the percentage would seem to be about 86 per cent. British and 14 per cent. Indian. Does it reflect any credit on the machinery of the Government in this country during war time that after nearly two years and eight months of war the number of Indians in the artillery is only 14 per cent. ? Surely much greater effort could have been made than has been made to give Indians a chance in the artillery.

(At this stage the Honourable the President resumed the Chair.)

Sir, reference was made by the Honourable Dr. Kunzru to the position of Indians in the Indian Corps of Engineers and I understood him to point out that the Indian proportion is only about 22 per cent. of the total cadre, excluding Royal Engineers. Dr. Kunzru has explained that so far as Mechanized cavalry is concerned, the position is that only 20 per cent. of the officers are Indians and he went on to point out that in some cases a feeling has been left that justice has not been done to individual Indian claims for promotion. Now, Sir, all this is really very upsetting at this time when both the British and the Indians need to get together in order to present a common front against the aggressor. We cannot really get together, it is psychologically impossible for us to get together unless we are helped to do so by a change in the Government attitude. Unless Britain changes her attitude—an attitude which goes back to 1857, the Peel Commission Report of 1859 was referred to by Dr. Kunzru—it is impossible to get to the heart of the Indian people. What you need to do is to get to the heart of the Indian people, to convince them that in fighting this war you are fighting their war just as much as you are fighting your own war. That is the feeling that you should generate at this moment and I therefore would strongly urge that there should be a drastic change not only in constitutional policy towards India but also a drastic change in the military policy that you have followed in this

country. Just consider what you have done. You have left this country practically defenceless. That, I think, is the gravest indictment against British administration in this country. The other day that boastful Secretary of State, Mr. Amery, said that Indian politicians had hampered the development of the defence services, that they should be the last persons to criticise Britain for the helpless position in which India or Britain finds herself and that they had been opposing military expenditure. Sir, it has been said that a partial untruth is worse than untruth. If we have been critical, as we have been critical, of defence expenditure in the past, the reason is quite obvious. Defence was looked upon in the past as the close preserve of the Britisher. We had, and we have, no opportunity of discussing foreign policy in this House and a policy was followed towards Indianization which annoyed and irritated Indians. I could answer Mr. Amery very effectively, but I do not wish to do so at this moment, because we are eager to hear the Honourable Mr. Williams and I know there is the Adjournment Motion to be discussed ; and therefore I will wind up by saying that I give my whole-hearted support to the Resolution moved by Dr. Kunzru.

THE HONOURABLE MR. A. DEC. WILLIAMS (Defence Co-ordination Secretary) : Sir, I find that—

THE HONOURABLE THE PRESIDENT : Would you like to make your speech after I have disposed of the Motion for Adjournment ? If you like to do that, if there is time, I am quite prepared to finish this Resolution at this meeting ; otherwise, it would have to be adjourned to the next non-official day.

THE HONOURABLE MR. A. DEC. WILLIAMS : Do I understand you are taking the Adjournment Motion now ?

THE HONOURABLE THE PRESIDENT : Yes, at 4 P.M.

STATEMENT OF BUSINESS.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : Sir, it is hoped that the Finance Bill will be passed by the other House by tomorrow or day after. I, therefore, suggest, Sir, that we meet on Friday, the 20th, at 5 P.M. for the sole purpose of laying the Bill on the table so that we can take it up on Monday, the 23rd.

THE HONOURABLE THE PRESIDENT : It is a great pity that under the statute we cannot by circulation lay the Bill on the table.

MOTION FOR ADJOURNMENT *RE* EVACUEES FROM BURMA.

THE HONOURABLE THE PRESIDENT : Honourable Members, we will now proceed with the discussion of the Adjournment Motion. I will remind Honourable Members that the provision under Standing Order 23 (2) is
4 P.M. mandatory and no speech can exceed 15 minutes in duration.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : The Motion which I beg to move is as follows :—

"That this House do adjourn to discuss a matter of public interest and urgency, namely, the plight of Indian evacuees from Burma."

[Haji Syed Muhammad Husain.]

Sir, the importance of this Motion has been realised by the House and, as the present situation in the country and immediately outside this country is, it requires certainly a very careful consideration of the questions arising out of evacuation. The evacuation of Burma is not finished. Only nearly one-fifth of the Indians have been able to come over to this country and four-fifths are still there. Not only is it a question for Burma but I hope we will take lessons from this evacuation as to what might happen in this country itself. The stories and the reports that have come to us are absolutely harrowing. They are of a character that one could easily say that the treatment meted out to Indians was inhuman. In spite of the fact that we are considering evacuation at a most abnormal and difficult time we know that the conditions were not such as to deserve the treatment which was meted out to Indian evacuees. One thing I may point out what is very essential at the present moment and that is the morale of the people and the spirit of the civilians. We have had lessons from Malaya, Singapore and also from Burma that for most of the difficulties it is the spirit and morale of the people which was responsible. Not only in India, Burma and Far Eastern places but we have before us the lessons of the surrender of France, in which this played one of the most important parts. The treatment which was meted out to evacuees and the tales which they bring with them to this country does not remain confined with them alone or this House; it is being talked out from one end to the other of this country. And what would be the feelings of any Indian at the present juncture after listening to these harrowing tales of those evacuees. One could understand the difficulties in the way of evacuation—some of inevitable results which generally happen in such a difficult time—but one cannot forgive or take lying the preferential treatment which was given to Europeans and Anglo-Indians, while the Indians were dying on account of want of sanitation, food and water.

Sir, it is true that this is a war with which Britishers are most concerned but that is not all; their concern does not take them to the goal of success. It is the co-operation of other people which they desire, the resources of other countries which they want to use. They are the factors which would make easy the winning of the war. Now what are they doing to secure sympathy, co-operation and willing support of the people to conduct this war?

I will give to the House certain instances which reached me from sources which I believe are not like rumours but from people of responsibility and I hope that the Honourable Member on the other side will throw some light on them.

I am told that in the third week of February, about the 21st or 22nd, all the criminals and lunatics were let loose from prisons. Well, one might say that they were let loose because in Rangoon there was danger of air-raid and so on, but that would not be a sufficient answer; they could have been removed long ago. The trouble over Rangoon did not come suddenly. There was plenty of time for all sorts of preparations but unfortunately I see that the policy of the British people today is to be unprepared in everything—from Far East to Middle East—and in every matter. Now, could they not remove these criminals from Rangoon to somewhere in the north? Were they so many in number that it was not possible to remove such a lot within weeks and months? I understand that the number never exceeded 2,000. If they wanted they could divide criminals into certain classes and the more dangerous criminals, of whom they were apprehensive that they would commit loot and arson and other crimes, could have been removed earlier and not let loose. I also understand that there was no law and order from 21st to 25th February and it was on the 25th that the Governor put the administration under the military command, and General Sir Archibald Wavell, the present Commander-in-Chief in India, was put in command of the military administration over there. So, virtually Burma was under the command of India. We

find that at that time, the military which for its operation requires the co-operation of the civilians and who are supposed to be the defenders and protectors of the civilians themselves, committed acts which nobody can justify. For instance, it has been reported that on the 21st or 22nd, the soldiers came to the shops in the well-known Indian bazaar. They asked for articles to be shown to them. When the articles were shown to them, they took them and walked away. If there was a protest, they paid no heed to it but helped themselves with a little more and went away. What happened after the City of Rangoon came under the command of India is something terrible. Of course I admit that Rangoon has many places of military value, but the whole of Rangoon City cannot by any stretch of imagination be considered to be of such military value as to apply the scorched earth policy to the whole city. It is substantially true that Rangoon today is a heap of burnt timber and bent iron girders and hardly any building or any quarter worth the name is left there without damage. How and why has this happened? It may be said that the Government or the military is responsible for destroying certain places which might have been useful to the enemy if they had come into their hands. To that no one could grudge. But how is it that these main bazaars, where beautiful silks and other things were sold, were burnt to ashes? The *Statesman* correspondent has given his impression, from what he saw, that it is the work of hooligans. If in spite of the military and all its paraphernalia being there to defend the city from outside aggression, hooligans either from outside or inside the city have committed crimes of that kind without any hindrance or obstacle, that is no credit to the military or civil administration responsible for the city. That is not all. People there have lost their all. Men who were millionaires are not worth a penny today. It is a very sad thing. But if really it could not have been helped, no one could say anything and there would have been some consolation. I may repeat the old proverb, "Margi amboh jashnay darad", which means that the death of a crowd of people is also a kind of joy. But this was not the case there. The case was nothing short of either deliberate destruction of property or negligence amounting to criminal negligence in not trying to protect the life and property of the people. This, so far as the property of our countrymen and of the local people there are concerned. We read every day reports in the papers that such of the evacuees as are still in Burma are coming to the frontier of India by foot. Is it not a fact that they are dying of cholera, and that there are no arrangements on the road for their drinking water or sanitation and other things? Was it not in contemplation that it will not be possible to evacuate all the Indians there by means of steamers and the road will have to be used? If they did not, then that is exactly what they have been doing everywhere—unpreparedness. But, if they did contemplate that the road will have to be used, then why were arrangements not made? Why was not water to drink supplied on the road? There are, as I said, about a million people still on that soil and they are dying of hunger and thirst and lack of sanitation. What has been reported to me about the preferential treatment is really awful. I have been told on good authority, by men whose words it is not easy to doubt, that at the commencement of evacuation, a certain place was reserved for high class Indians and Europeans and Anglo-Indians—

THE HONOURABLE THE PRESIDENT : Please bring your remarks to a close. Others will give further illustrations. Your time has expired.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : In two or three minutes more I will finish, Sir. I have been told that Rs. 5 per head per diem was paid by Government to caterers for catering to the Europeans, while Indians, who were 99 per cent. of the people in the Race Course, were there about the end for three days and nights without any arrangements at that time for sanitation or food. They were taken out by the police or the men who were in authority. One was caught hold of and turned out of the gate and a pass was given to him and he was asked to go and

[Haji Syed Muhammad Husain.]

take the steamer. If the mother went, the children were crying inside the Race Course. If the husband went, the wife was still there. Yet when the people reached the harbour and they went to the boat they were packed up there like sardines. There was a notice that no arrangements for food can be made. One curious fact is reported from a very reliable gentleman that on that steamer there was room for about 30 or 40 persons and the commander of the ship said that he could take a few more and he asked the people to come over the gangway. Then 30 or 40 Indians rushed there and he took them in, but the gentleman who is responsible for protecting Indians' rights and interests there actually and virtually took a whip and he whipped those Indians out of the steamer, and the reason was that he had 30 more Anglo-Indians to put in.

THE HONOURABLE MR. P. N. SAPRU : Who did it ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : Mr. Hutchins, the Agent of the Government of India.

THE HONOURABLE MR. G. S. BOZMAN : Am I to assume that my Honourable friend is laying the specific charge against the Agent of the Government of India of having whipped Indians off a boat in Rangoon ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : Yes.

THE HONOURABLE THE PRESIDENT : Do you speak from personal knowledge ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : I speak from a very reliable source. I have now one of the gentlemen watching from the top whose nephew was actually beaten up with a *danda* by Mr. Worley, I think the Evacuation Officer of the Burma Government.

AN HONOURABLE MEMBER : Is it Mr. Hutchins or somebody else ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : The first one was Mr. Hutchins.

THE HONOURABLE MR. P. N. SAPRU : I have heard a different story about it.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : You can say that.

THE HONOURABLE THE PRESIDENT : Will you please now stop. I am sorry your time is up. There are other speakers.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : What I want to say is that the things which have been done are done. The one thing which I want to impress and insist upon is the question of compensation to those who have lost their property either through the deliberate act of the military or the civil Government or through their negligence, namely, that they could have protected and saved their property but they did not save it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, the Honourable Mr. Muhammad Husain has placed before the House a picture of the Indians who stayed on in Rangoon and who had to bear untold hardships there. I do not want to go over the ground covered by him but I should like to add to what he says that the men who remained in Rangoon were those who were connected with essential services. They remained there at the request of the Burma Government. They remained there because

they were discharging functions in relation to the military which other people could not discharge. One would have thought therefore that such people would receive special protection from Government, especially when the military administration was under our own Commander-in-Chief, and the complaint of Indians is that although they did their very best to carry out the behests of the authorities and to supply the authorities with all that they needed their protection and interests were completely ignored. It is true that the interregnum of five days, that is the period during which the civil authority was not functioning and the military authority had not taken over control, was the worst period from their point of view. But their troubles did not end when this period expired. It continued even after that. As the House knows, Sir, there are two main routes taken by Indians, one going from Burma to Chittagong and the other from Mandalay and places round about to Manipur in the Province of Assam. There are two routes for reaching India, I understand, even through Manipur, but one of them is exceedingly difficult and the other which is easier and which is being opened out is under the control of the military or is going soon to be completely controlled by them. My Honourable friend Mr. Bozman gave an account in another place yesterday of the efforts made by the Government of India to render help to the Indian evacuees. Now I for one accept every word of what he said. I have no doubt that he and his colleagues are trying to do the best they can in very difficult circumstances. I also know that we can rely on him to do whatever is possible within the limits of his position. But what I should like to know is whether the Government of India feel that after deputing a certain number of doctors from Bengal and Madras and making other arrangements at Chittagong where they have established five camps, they have done their duty by the evacuees. Their number is large. Out of more than a million Indians in Burma only about 50,000 have come back at least by sea. I have no doubt that there is a much larger number of Indians waiting to come back to this country. Considering that the arrangements made by the Government of India have proved insufficient and totally insufficient, I should like to know what further efforts they propose to make to give help to the evacuees and to make it easier for them to return to their country. These remarks of mine apply to the route which leads from Burma to Chittagong. It is an extremely difficult and uncomfortable route. The Government of India have certainly tried to supply the refugees at a particular place called Sandoway or a place near it with water and provisions as these things are not at all available there. They deserve every credit for it, but as I have said, the arrangements made up to the present time are totally inadequate to the requirements of the situation.

The second thing that I wish to say in connection with Indians returning from Burma is this. The route that they take at present, even after reaching Sandoway or after reaching the sea coast, is a difficult one. Can anything be done to increase the number of ferries, so that these people might be taken over quickly to Akyab or Chittagong ? Formerly ocean-going steamers plied between a Burman port and Chittagong. Such large steamers are not available now. But is it impossible to supply smaller boats at the present time, so as to provide for the quicker evacuation of the Indians who wish to come back.

Now, I wish to ask a question or two with regard to the road leading from Mandalay to Assam. This road is very much better than the Burma-Chittagong road, but there are certain portions of that road too that are difficult and after reaching Manipur, I understand the road bifurcates. Perhaps to be more correct, there is no road in one direction, but a route can be opened out. There is some thing like a road in another direction which is now being used for military purposes or which may soon be used for that purpose. I understand that the military authorities want to reserve this route for military traffic and that in the meanwhile they want to restrict traffic on it as much as they can, so that they might broaden it and improve it in other respects. The desire of the military authorities to have a military road leading from Burma to India is perfectly legitimate. But one would

[Pandit Hirday Nath Kunzru.]

like to know whether the military authorities consider it necessary to stop all traffic along that road, or whether they are prepared to allow a certain number of evacuees to use that road even at the present time. And the second question is whether when the number of evacuees that can use that road is fixed the privilege of using the military road will in practice be allowed only to Europeans or will be extended freely to all evacuees, whether Indians or Europeans. My Honourable friend Mr. Bozman said in another place yesterday that although he had heard complaints of discrimination he was able to say that the machine which landed in his presence contained only Indian passengers. He was very lucky and it must have been of great advantage to him to relate such an experience to the other House. I should like to know a few more particulars on this point before I can feel satisfied with the account that he gave yesterday. I should like to know when evacuation by air began, how many trips the aeroplanes employed either by the Government of India or by the Assam Government have made between Mandalay and India and how many passengers they have evacuated? Lastly, I should like to know how many of these evacuated passengers are Indians? It is only when we have this information that we can decide whether evacuation by air is allowed freely in the case of Indians and Europeans both or is in practice restricted to Europeans only. I pointedly refer to this matter, Sir, because I understand that even high-placed Indians have not been able to return by air. An Indian belonging to Bihar wanted to come back by plane and his relations were prepared to charter an aeroplane, but he was told that it was impossible that an aeroplane should be spared for him. These are, Sir, the facts in regard to which I want information. Having heard that the Defence Department can influence the policy of the Government a great deal in this respect, I should further like to know what part it has played in the matter. Mr. Bozman assured the Assembly yesterday that it was not the policy of the Government of India to discriminate between Indians and Britishers. This may be quite true, but I want to know whether the Defence Department has fallen into line with this policy or whether it is following a policy of its own. I understand that it is the Defence authorities who are partly responsible for not treating Indians fairly. A military officer who was the head of the Supply Department here was sent to Manipur the other day, I believe, to survey the route leading from Burma to Assam. I should like to know what he has done? Has he been able to render any service to Indians? This particular route has been under survey for a pretty long time. What has been the result of this survey? Has it in any way facilitated the return of Indians? And if not what further steps do Government mean to take to enable Indians to use the Mandalay-Assam route and in particular to enable them to use the easier of the two routes available to them after reaching Assam. These are the questions that are troubling our minds. Before we can acquit the Government of India or the other authorities concerned of the charge of discrimination that has been brought against them, we must have full information regarding the points that I have ventured to place before the House.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadian) : Sir, at this stage it is not my intention to detain the House longer than is necessary. There is just one point which I should like to put before this House. It is an undoubted fact that Indians in several parts of Burma have lost a considerable amount of property and goods due to three causes (1) scorched earth, (2) looting by the local rowdies and (3) by enemy action. So far as the last is concerned, I have nothing to say. So far as scorched earth and looting are concerned, I think there is an undoubted case for compensation and the Government of India would be failing in its duty to Indians overseas if it did not work up to secure the necessary compensation from the Government of Burma or His Majesty's Government.

With these words, Sir, I support the Motion.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Mr. President, the picture that our Honourable friend Mr. Muhammad Husain has drawn of the condition of the evacuees and of the Indians in Burma is very sad and most annoying. He has laid a definite charge in his speech against the Agent of the Government of India and those who know something about the work that he has done in the past in Burma so far as Indian interests are concerned feel a little bit of difficulty in accepting the charge. But as my friend has stated definitely that he misbehaved with Indians in such a way as to create annoyance amongst all self-respecting persons, it is, I think, the duty of the Government of India and their spokesman here to give us correct information on that point.

Sir, the question of looting and arson committed by bandits does not according to me come under the purview or under the jurisdiction of the Government of India, but, if the looting and arson took place when the military was in charge of the civil administration, then certainly I think, Sir, that the Government of India in the Defence Department is responsible for the failure in protecting the Indians in Burma.

Sir, a statement was made in the other House by a very responsible gentleman about a route, to which a reference was made by my Honourable friend Mr. Kunzru. The statement that was made there was to the effect that a particular route was not allowed to be used by the military officers by Indians but that that route was freely used by Anglo-Indians and Europeans. I do not think, Sir, that there are black and white routes constructed in Burma but as the statement is made on the floor of the House in the other place by such a responsible gentleman that statement, if not correct, has to be contradicted, or, if correct, action has to be taken, and the Government of India must take action against those military officers who were responsible for this act.

Then, Sir, the question of evacuees which is causing great annoyance to us all here has to be dealt with from a humanitarian point of view. We have received complaints that the officers who were in charge of the situation there not only made a discrimination between Indians and Europeans—

THE HONOURABLE MR. G. S. BOZMAN : Is the Honourable Member speaking of the evacuation of Rangoon by sea?

THE HONOURABLE MR. V. V. KALIKAR : Yes.

THE HONOURABLE MR. G. S. BOZMAN : Thank you.

THE HONOURABLE MR. V. V. KALIKAR—but also failed to provide them with the necessities of life, for instance, water and food. Now, Sir, this question has to be investigated by the Government of India and officers who are responsible for this ought to be brought to book.

Another point that has struck me after reading the accounts that have appeared in the Press is about the evacuees who have actually come to India. I understand, but I cannot vouchsafe for the correctness of the information that has been given to me, that evacuees who have come to Madras are not getting proper help. Some of them are getting help from the non-official committees, but they are not getting proper help from the Government of Madras. I hope and I believe, Sir, that my Honourable friend Mr. Bozman will also enlighten us on this point.

Then, Sir, the question of evacuees who have gone to other Provinces than Madras has to be dealt with by not only the Provincial Governments but also by the Government of India. We want to know, Sir, what financial help the Government of India propose to give to those evacuees who have gone to Provinces other than Madras and what financial help they, the evacuees, are getting from the Provincial

[Mr. V. V. Kalikar.]

Governments. I suggest, Sir, that to alleviate the sufferings of those evacuees who have lost all their property and who have come to India, some financial help must be given not only by the Central Government, not only by the Provincial Government but the Government of India should also approach the authorities concerned and get help from the Viceroy's Fund. I understand that contribution is given from the Viceroy's Fund in other countries for alleviating their sufferings and I think I am right in stating that if people of other countries can get money from this Fund the Indian evacuees are justified in making a demand on that Fund. I hope in his reply my Honourable friend Mr. Bozman will give detailed information to this House on the points raised.

THE HONOURABLE SIR A. P. PATRO (Nominated Non-Official): Sir, I had absolutely no idea of joining in this debate but of watching the events with considerable interest. The statement made by the Honourable Member who has last spoken, namely, that the evacuees to Madras have not been treated properly—

THE HONOURABLE MR. V. V. KALIKAR: I said that I cannot vouchsafe for the correctness of the information but that was the complaint that I received.

THE HONOURABLE SIR A. P. PATRO: I am glad that he does not make any responsible statement, but as far as I know from my personal knowledge and the interest which I took in the evacuees from Burma, I can say that everything that is possible was being done and is being done. There are three Funds started: one was known as the Madras Mayor's Fund, the second was the Citizens' Reception Fund, the third is the Government help. The Government of Madras deputed a special officer for the purpose of meeting these people at the port or at the various places where they arrived and directed him and his subordinates to look after their interests. In addition to that the Vigilance Committee of the Mayor and the citizens have been going round and looking after them. So far as the evacuees returning to Madras are concerned there is absolutely no negligence or much less criminal negligence with regard to their physical and personal wants in the City of Madras, but monetary help also was given to some of them with a view to enabling them to reach their homes. Wherever they were unable to provide for themselves food and clothes were supplied, and the citizens of Madras contributed very liberally to the Funds as well as in the matter of supplying clothing and money for these evacuees. Therefore, it seems to me it would be very unfair for any Honourable Member of this House to say that so far as Madras is concerned the evacuees have not been treated properly. They have done their best in order to make them comfortable and see that the situation in which they are placed has been minimised as much as possible. We all realise how difficult the situation would be in Burma during the five days when there was no Raj whatever. During that period, it is natural that there should be some confusion, disorder, lawlessness and looting. Who could be responsible for it at that time? Therefore, to say that any particular officer or Government is responsible is not at all justifiable. But specific indication of any very inhuman act by any particular officer remains to be investigated. If it is true that a particular class of His Majesty's subjects were pulled out and other class of subjects put in there, that is a matter which we, Indians, with all the self-respect we possess today, cannot tolerate. But it remains to be seen whether this is a proved fact or only the imagination of some of the evacuees. They have come and expressed their grievances, but these are much more exaggerated than what they really are. So, the Honourable Member who made the suggestion ought to have made a thorough investigation before making any such statement against an officer.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): Sir, I am sure the House would like me to express our sympathy

not only with the evacuees from Burma but also with the Indians and other residents of Burma in their hour of trial. Sir, Burma is passing through a period of great suffering and we all hope and pray that it may emerge out of the suffering through which it is going victorious.

Sir, the Honourable Mr. Muhammad Husain has rendered a public service by inviting attention to the plight of Indian evacuees from Burma. According to a statement which was made by the Honourable Mr. Bozman in the other House, I believe that so far about 45,000 to 50,000 Indians have been able to come to this country—

THE HONOURABLE MR. G. S. BOZMAN: By sea alone.

THE HONOURABLE MR. P. N. SAPRU: By the sea route alone. That is to say, Government have been able to evacuate or help in the evacuation of nearly one-fifth of the Indian population in Burma—

THE HONOURABLE MR. G. S. BOZMAN: The figures are wrong.

THE HONOURABLE SIR DAVID DEVADOSS: 50,000 out of a million. The population there is over a million.

THE HONOURABLE MR. P. N. SAPRU: So, they have been able to evacuate 45,000 or 50,000 Indians from Burma.

THE HONOURABLE MR. G. S. BOZMAN: By sea.

THE HONOURABLE MR. P. N. SAPRU: The Indians who have come back from Burma have most harrowing tales to tell. I met two Indian gentlemen who were there on the 23rd December on which date the first raid on Rangoon took place. They told me that after the raid, the Burmese looted the Indians, there was hardly any law and order in the town and that it was with the greatest difficulty they could obtain food, shelter or the other essential requisites of life. They said that the conservancy arrangements broke down, the electric arrangements broke down and there were grievances against the manner in which they had been let down by the Burmese Government. It is only fair to say that I have heard conflicting stories about the attitude of our Agent, Mr. Hutchins. I should not like any public servant to be condemned without a fair and impartial inquiry. It is quite possible that some of the evacuees who have come out to this country have allowed their imagination to run riot. We all allow our imagination at times to run riot. But the broad fact stands out that very serious charges have been made against Mr. Hutchins and we do not like the honour of our Agent to be traduced in any manner whatever. I think it is only fair to him. I do not wish in the slightest degree to suggest that the allegations that have been made—I have some more allegations to make myself; there are others that have been made to me—should be accepted as Gospel truth. But what I do suggest is that there is a case for a fair and impartial inquiry, and it is in the interests of Mr. Hutchins himself that the inquiry should be made by the Government. One allegation that has been made is that passes for going to the ship were being issued by Mr. Hutchins. The office which he had was a very small office and Indians had to go to this small office, and while they were going to this small office, the police charged the crowd, they got a beating from the police and some people were hurt and injured. I do not know what truth or what falsehood there is in this allegation, but I repeat it on the floor of the House as it was mentioned to me by a respectable citizen.

Another story which I have heard is that when crowds collected in front of the office of Mr. Hutchins there were three air raids of which apparently there was no

[Mr. P. N. Saprú.]

alarm given and men died then and there, standing near his office. Then the charge which has been frequently repeated by Indians who have come back is that Europeans and Anglo-Indians were evacuated by plane to Chittagong and steamers to Calcutta. And when the President of the Rotary Club arrived with his wife at the frontier—he was going by the land route—he was given a coolie hut. He asked for a cleaner hut and there was a cleaner hut available, according to his statement, and he was refused and he was told that those cleaner huts were meant for Europeans and Anglo-Indians. Now that is the statement of an Indian gentleman who happened to be the President of the Rotary Club in Rangoon, and if there is any substance of truth in that statement then it certainly is a very serious statement. Therefore the specific complaint against the administration in Burma or against the manner in which the administration executed its authority in Burma is that there was at this juncture, when there ought to be no racial discrimination whatever, racial discrimination. For the matter of that at no time should there be racial discrimination, but at this present juncture it is particularly objectionable. It is due to Mr. Hutchins that I should tell the House that two respectable citizens of Burma whom I value as friends gave me a different story. They came away immediately after the first air raid and these stories are subsequent to the first air raid, so they can only testify to what happened on the 27th December or thereabouts. They told me that while the Burma Government were not helpful—I can mention their names, they are residents of Allahabad and they are men of position—they told me that while the Burma Government was not helpful, Mr. Hutchins was, and but for him they would not have been able to get whatever little help they were able to get.

I should like to make one more point and that is that the National Airways have been given a sum of Rs. 4½ lakhs in the budget for evacuation purposes. I think reference was made to this sum in the budget speech of the Honourable Dr. Kunzru. Therefore we are entitled to expect that the National Airways in carrying out their responsibility and their duties will show no racial discrimination. In addition to the subsidy that they receive from the Indian Government they have been given a particular sum and it is unfortunate that there should be a feeling that there has been any racial discrimination on their part.

Having regard to the fact that I have exceeded my time I cannot go into the speech which was made by the Honourable Mr. Bozman the other day in the House. I have no doubt myself that the Honourable Mr. Bozman is looking into this question carefully. We have no desire to complicate the very difficult task that he has or the Honourable Mr. Aney has, but we have mentioned these grievances in the spirit that they should be righted and there should be a better feeling at this juncture. It has not been our object to vilify any particular official. Our object is to see that relations improve and that the honour of the official concerned is vindicated.

With these words, Sir, I support the Motion for Adjournment.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : I am sorry, Sir, that I will have to differ from some of my Honourable friends who preceded me, in their opinion, that no Government is responsible for any acts of pillage or arson done by bandits. The argument was advanced that if those acts took place before the military took possession of Rangoon City, that is during the time when there was no ordered government there, then neither of the Governments is responsible for those acts. I must take serious exception to this opinion. I will first deal with the first alternative, *viz.*, that these occurrences took place at a time when there was no ordered government. To this my reply is, why was there no ordered government then? It has been said that law and order ceased to function in the City of Rangoon from the 21st to the 25th December. There was

no special reason for withdrawing the forces of law and order then. And not only that, not only was law and order allowed to cease to function, but just to add to the troubles of the people, to fill their cup of misery to the very brim, even the criminals were let loose. Where was the necessity for the criminals to be released to aggravate the situation? As my Honourable friend Mr. Muhammad Husain has just remarked, it was the duty of the Government to see that long before such a contingency arose, long before they had become powerless to keep guard on those prisoners, they should have taken steps to remove them to some place in the interior.

Sir, as we all know the welfare of Indian nationals abroad is a subject which is dealt with by the Government of India. Whatever treatment is accorded to our nationals in any other country is a matter in which the Government of India are keenly interested. It is a matter for which the Government of India do hold some responsibility. So I feel that to have allowed these poor people, most of whom stayed in Rangoon for essential services, to be plundered, looted and harassed by bandits is a thing which no civilised government should have allowed. It is the duty of every Government, not only cast upon it by the constitution but it is its elementary duty to see that the life and property of the people under its rule is protected. Either the Government of Burma or the Government of India is responsible for the trouble, because they did not see to it that things were better managed than they actually were.

Now, Sir, as regards racial discrimination to which reference has been made, it is very strange that even at an hour like this, when people are caught up in a catastrophe like this when all distinction not only between rich and poor but between race and race ought to disappear, even at this hour these invidious distinctions are made. It is very sad, Sir, if it is a fact. As has been said by my friends here, we are very hesitant to believe that any particular individual has been guilty of this act. It is therefore necessary not only in the interests of justice and fair play but also in the interests of the particular individuals who have been accused that a fair and impartial inquiry is held and it is ascertained as to who is really responsible for this feeling which somehow or other seems to exist and strongly felt in the country. I would submit that whatever might have been the misdeeds in the past the Government should take care that no such distinction is allowed to remain. Now that the sea route has been practically stopped and only land route is available it is necessary that every honest effort should be made to see that facilities are given to the people who use this route without any distinction of race or colour or even position.

As regards the destruction of property, I have just one word to submit. It is quite understandable if property which had any military value had been destroyed, but such property about which there was no military value, property which could not have been used to help the enemy in waging war, should not have been allowed to be destroyed. I understand that most of the properties which were destroyed were destroyed after the military took possession of Rangoon City. The whole of the big bazaar which goes by the name of Surati Bazaar, where we had the biggest of Indian merchants, where Indian nationals had the best of their belongings, was burnt. It might be that this arson took place either under the command of the military or it might have been done by bandits, hooligans and the military did not take steps to prevent it. If it had been done under instructions from the military officers, it is obvious that the officers who had given the command are responsible and the Government should see to it that sufficient compensation is given to the people who have lost their property in that way. Even if it was not the military who gave the orders and if this had been perpetrated only by hooligans, it is the people who were in charge of the city who have failed in their duty to give sufficient protection to the property. Either way I think there is strong ground for giving compensation to the people who have lost their property by acts of destruction and burning.

[Saiyed Mohamed Padshah Sahib Bahadur.]

Just one word about the evacuees who come to Madras. I echo what has been said by my Honourable friend Sir A. P. Patro. The Madras Government is doing its best to see that these evacuees are attended to. Besides the Government there are a number of non-official organisations, non-official agencies, which are also trying to alleviate the sufferings of the people who disembark in Madras from Burma. Notwithstanding all this, I feel that there is still much to be done in this direction. I met some of the evacuees who returned to Madras. I was told that there was no satisfactory arrangement for food on board the steamer and the poor people had to do without food for the whole of the voyage for four days. Even those who could afford to pay could not get what they wanted. Some of them have told me that one cup of tea has cost something like Re. 1 or Rs. 2. Things like that ought not to be allowed to continue. Again, Sir, when these people landed in Madras, according to the present instructions of the Government, railway tickets were not issued unless they signed an agreement for paying the railway fare after reaching their homes. This procedure was not only inconvenient to these passengers, but it also entailed extra expenditure, for those passengers who came to Madras had to be detained there and fed for a considerably longer time than was necessary. One day about 500 passengers were expected in Madras, but actually nearly 4,000 of them arrived and the result was that only 50 or 60 of them were able to sign agreements and give the necessary particulars in about two or three hours. Some of us who were there on the spot found that this procedure was resulting in inconvenience not only to the passengers but also to the people who attended to their needs by making their stay much longer in Madras than was necessary. Representations were made to the Government and here I must do justice to my Honourable friend Mr. Pai who was there on behalf of the Government of India. He was kind enough to issue orders that this procedure might be dispensed with. Tickets were issued without those passengers signing the agreements. I submit that as difficulties are brought to the notice of Government, instructions like these should be issued without delay. I also wish to draw the attention of the Government to the necessity of making sanitary arrangements at the port of disembarkation. Sanitary arrangements should be made not only at the shelters where people are kept before they embark, before they start on their journey, but also at the port of disembarkation. Sir, the Overseas Department is doing its best but real improvement in these directions can be effected only if the Defence Department co-operates.

THE HONOURABLE MR. G. S. BOZMAN (Secretary for Indians Overseas): Sir, I must confess that the course which the debate on this Motion has taken so far has been somewhat surprising and painful to me. I had hoped that we might have a useful and helpful discussion as to what the Government of India should do to assist these people either in the process of getting away from Burma now or in India after they have arrived. Instead, I regret to say, we have had a considerable number of individual accusations made and it was indeed most painful to me to listen to an accusation against an officer of the Government of India which has never been made to the Government of India hitherto, an accusation now made in a public place where his name must be mentioned in the press, on grounds which have not been stated to the Government of India themselves. Since the accusation has been made, I think I must demand from the Honourable Member a full statement of all the evidence in his possession with regard to the incidents of which he has complained. I shall want to know the date, the ship, the people affected, whether they had or had not tickets, whether the people affected were women or children or men, and all details of that kind, and I am quite certain that my Honourable friend will supply me with all such details. I shall then certainly inquire into the incidents as best as I can.

Now, Sir, we have heard a great deal about the sufferings of the unhappy Indians who have had to leave Burma. I hope no Member in the House will accuse me of

minimising those sufferings, because I have had numberless stories told to me myself by these unfortunate people and I have as clear a picture of the hardships and misery that they had suffered as possibly any Member in this House. I have also recently visited Akyab myself in Burma to see whether I could make any further arrangements to assist them on that particular route out of Burma; so I shall not, I am sure, be accused of lack of sympathy if I attempt to show that the Government of India have not sat back with hands idle, and have attempted to provide some amenities and some assistance for the evacuees.

On the two land routes to which my Honourable friend Pandit Kunzru referred conditions are entirely different. On the route from Prome there is a land journey of a little over 100 miles passing through somewhat difficult and hilly country. This journey brings the refugees to a small place on the coast of Burma called Taungup. From Taungup to Akyab there has always been and still is a service of launches and there are also a number of country craft plying on the inland waters. My main pre-occupation when I was in Akyab was to satisfy myself that every conceivable conveyance by water that could be used between Taungup and Akyab was being used and I did so satisfy myself. All the launches which are capable of reaching Taungup—and I make that qualification because the creek leading to Taungup is narrow, shallow, obstructed and winding—all launches that can reach Taungup are going regularly without delay between Akyab and Taungup. I am glad to say that two or three launches which were brought up from Rangoon belonging to the Irrawaddy Flotilla Company have been added to the fleet which was already available at Akyab. The capacity of these launches varies considerably: some take about 150; others carry as many as 400 on a launch. Every one of these launches is now being so used.

My second immediate concern at Akyab was to see that sufficient shipping was available to take from Akyab the large numbers of refugees arriving from Taungup. Since my visit the total number of ships employed on that run has been practically doubled. I regret I cannot give the numbers because for security reasons the number should not be known but I can assure the House that they are not inconsiderable and that I am at the moment attempting to increase them.

My third preoccupation at Akyab was to see that everything possible was being done in the supply of medical assistance, food and water. The medical assistance provided from India on that route amounts to, first, a party of four doctors sent over by the Government of Bengal and, second, a medical unit sent from Madras which consists of one 1st class Health Officer, one 2nd class Health Officer, one Assistant Surgeon, two Sub-Assistant Surgeons, six Health Inspectors and seven Nursing Orderlies. All are efficient and keen. They took with them 75,000 doses of cholera vaccine, one ton of bleach powder, saline infusion and inoculation sets. That particular medical unit was sent from Madras at a notice of a few hours only. I met the two principal doctors in Akyab myself and I conveyed to them, and through them to their assistants, our humble and grateful thanks for their immediate response to the calls made upon them.

As for food and water, the launches are supplied with water. Food, I will admit, is scarce but food is available at both ends of the journey. The main difficulty is between Prome and Taungup on a land passage of about 100 miles. There again water is available and food is available, except at one or two particular camps, but it is scarce and it is expensive.

And now to turn to the other land route, the one leading northwards from Burma into Manipur. I described that route in another place as actually a combination of various routes. The crossing of the Indo-Burma border is normally made at a place called Tamu. Tamu can be reached both by road and by river with a very short road journey. From Tamu there are two routes which arrive at the same place inside

[Mr. G. S. Bozman.]

Manipur. From Imphal, which is the main town in Manipur, there are again two routes, one to Manipur Road and the other to Silchar. There are variations on these routes at various places but I will attempt to give only an outline of how they run. One of these routes is a matter of very great military importance and I should like now to mention the point raised by a number of Members with regard to racial discrimination on this particular route. I shall deal with racial discrimination generally a little later. I did hope today, and indeed I had hoped in another place yesterday, to give a definite and final answer as to what the particular facts were; I regret that I have not yet had the final facts placed before me. I would say only this that as a result of the appointment of the military officer, to whom my Honourable friend referred, there is now going out from Burma into Assam a stream of refugees at the number of 750 a day which in two or three days it is hoped to increase to 1,500 and shortly after that to increase to a higher figure daily. But with regard to the reservation of one route for Indians and another route for Europeans and Anglo-Indians I am not as yet in a position to state exactly what the facts are. This only I can suggest. Military considerations are apt, particularly there, to vary from day to day and there may have been restrictions which have had this practical effect, but I can say this that if that effect has been caused we shall do our utmost to remove that effect. It is our firm resolve that where restrictions have to be imposed they shall be imposed without distinction of race, caste or creed. (Applause.) From the centre of Manipur I mentioned just now that there are two roads into Assam. There again, the restrictions imposed will be solely on account of the road capacity, because all traffic on these roads is carried by lorry or bus and we can only get away as many people as can be carried by the lorries and buses—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is the Honourable Member now speaking of the road from Imphal to Manipur?

THE HONOURABLE MR. G. S. BOZMAN: There are two roads leading out of Imphal, one to Dimapur, which is to the north, and one to the west to Silchar. In order to relieve the pressure on the road from Imphal to Dimapur we are now organising as best we can the road west to Silchar. That consists partly of a motorable road and partly of a road which has to be covered by foot. On the path which has to be covered by foot, camps are now being erected, doctors placed at the camps, and food and water and other necessities supplied. It is hoped by that means to maintain at least the full flow of about 2,000 daily and possibly more.

With regard to the provisions made on the road inside Burma, the reports I have received indicate that camps have been established, but that the camps are in many cases somewhat primitive shelters. Food has caused some difficulty. We have, however, sent officers from India into Burma to give every assistance to the Burma authorities in organising these camps, and we are shortly sending officers who can speak the various languages which we expect to find among the refugees. On the land routes inside India, as my Honourable friend Pandit Kunzru mentioned, we have six camps at Chittagong itself. We have five camps on the land routes in Chittagong. I must digress there for a moment because it is possible to get by land into Chittagong also from Akyab after a short launch journey. We have five camps on those land routes. We have camps at short and convenient stages now on all the land tracks between the Burma-Assam frontier and Manipur or Imphal. At each of these camps a doctor has been placed and arrangements are made to supply camps with food and water.

Now I think I should refer perhaps to the air evacuation scheme which was mentioned. I hope my Honourable friend Pandit Kunzru is not correct in saying that I was extremely lucky to see an aeroplane land, which was full of Indians. I have spoken personally to all concerned with this air evacuation scheme, except

those who are permanently inside Burma. All are determined, as we are, that there shall be no racial discrimination in this air evacuation scheme. I have seen it repeated in correspondence time after time. I cannot give the complete figures which the Honourable Pandit Kunzru asked for. We were told originally that there were some 2,000 people waiting to be evacuated. We arranged that with one D. C. 3 plane approximately 150 to 200 people a day should be brought out by air. This involves three or four trips backwards and forwards by the same plane and we should be grateful to the Chinese pilots who are working this plane for their great energy and the great help which they are giving to us in India. (Applause.) I have since heard that there are more than the original 2,000 waiting. The numbers are not yet absolutely clear. We are now making efforts to increase the extraction number up to something like 250 a day, and if anything more can be done in that respect, I have no doubt it will. I should add that this is in addition to the ordinary service which runs from Lashio to Calcutta. I believe that the numbers on that service are something like 350 a week and no doubt those numbers include also a certain number of refugees—

THE HONOURABLE THE PRESIDENT: Mr. Bozman, I appreciate that your reply is very important but your time has already been exceeded by a couple of minutes. If you propose to take a long time, I must ask the permission of the House to allow you to do so. How long will you take?

THE HONOURABLE MR. G. S. BOZMAN: I shall attempt to finish in another five or ten minutes, Sir.

THE HONOURABLE THE PRESIDENT: Is it your pleasure that leave be given to the Honourable Member to continue?

HONOURABLE MEMBERS: Yes.

THE HONOURABLE THE PRESIDENT: The House gives you permission to continue.

THE HONOURABLE MR. G. S. BOZMAN: The next point I wanted to refer to was the total evacuation from Burma. There has been some misunderstanding—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: May I interrupt the Honourable Member? Will he be able to secure later the figures I have asked for?

THE HONOURABLE MR. G. S. BOZMAN: I will make the very best effort I can, Sir.

With regard to the total figures, I think there has been some misunderstanding, possibly through a short report of what I said in another place. I said there that the total number evacuated by sea was estimated at between 45,000 and 50,000. But I went on to say that our estimate of the numbers who will come away by land was about 75,000 giving us a total of about 1½ lakhs. I think it is not unlikely that the number may be higher than that. I should put it myself at between 1½ and 1½ lakhs. That is out of a population of about 10 lakhs. I mention these figures only so that the position may be clear and we are not misunderstood.

Now, Sir, there are two or three points which have been made by one or two speakers. First of all, with regard to compensation for property, I feel myself that there has been some misunderstanding on this point also. On the 20th February, an order was given for the complete evacuation of Rangoon. That, as I understand it, means that the Burma Government publicly stated that they no longer had authority in Rangoon after the date and time of evacuation had expired. The notice, I understand, was 48 hours.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What was the date?

THE HONOURABLE MR. G. S. BOZMAN: I think it was the 20th February. After the evacuation period had expired, the Government of Burma ceased to function in Rangoon. Under the Government's instructions certain people remained in Rangoon. These were those who were detailed for the demolition of vital points in the city. So far as my information goes at present, the vital points destroyed by the demolition parties were only three; that is, apart from permanent obstructions caused to the wharves and harbour. Therefore, the burning and destruction in other parts of Rangoon was not by the order of the Government of Burma and the stories that I have heard from people who came away from Rangoon after the demolitions had been carried out fully bear out the deduction I have made that burning and destruction was caused by looting. Burning and destruction of private property was not caused by Government order. As to the liability either of the military authorities or the Government of Burma with regard to private property lost or destroyed, that is a matter on which legal opinion will be necessary which I am certainly not competent to give. I can only say that the matter having been raised by a number of Members in this House I shall attempt to examine the position and see whether in point of fact any responsibility can be placed.

And now, Sir, to come back to the two main subjects which I had expected to be raised in this debate, namely, the policy of the Government of India with regard to discrimination and the policy of the Government of India with regard to the evacuation of refugees. I think, I hope, I have made it quite clear that as regards racial discrimination the policy of the Government of India has never wavered from what it has always been with regard to the treatment of Indians overseas, namely, that all citizens of this country should be treated alike. With regard to the evacuation of refugees the policy is a simple one although the problem is by no means simple. The policy is that the Government of India should give all assistance they can to the evacuees in the country which they are trying to leave and all the assistance they can to the evacuees in India when they arrive. When they arrive the reception committees meet them. And here I should like to pay a tribute to the reception committee in Madras, of whom I have heard only yesterday from Mr. Satyamurti, and to the reception committees in Calcutta and Bombay and to the reception committee just constituted in Chittagong. The reception committees receive these people. They are distributed with the assistance of Government and private funds and arrangements are now in hand, or rather I should say arrangements are now being suggested to the Provincial Governments, for the purpose of finding employment and maintenance for these people when they have been dispersed. Therefore, in brief, the Government of India's function starts by assisting the Government of the country from which they wish to evacuate themselves and by assisting the refugees both in that country and when they return to India.

I should make one more point before I close. I was asked whether the Central Government and Provincial Governments were making financial provision for these people. I can only say that in no case that I have come across have financial considerations come in the way of every available assistance being given to evacuees, whether by Provincial Governments or by the Central Government, and so far as maintenance of those who are indigent is concerned the organisation is already operating. So far as education for their children is concerned, Provincial Governments and Universities have all agreed to special conditions and special terms and even special arrangements in the curriculum. I think it is fair to say that no Government in this country has viewed this problem with any but the most sympathetic and humane outlook.

THE HONOURABLE THE PRESIDENT: As this debate has not concluded automatically within the two hours prescribed by the rules, it is my duty to place the Motion before the House for its vote unless the Honourable Member who has moved it wishes to withdraw it and the Council gives permission.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: My purpose has been served by the discussion which has taken place and I beg leave of the House to withdraw my Motion.

The Motion was, by leave of the Council, withdrawn.

THE HONOURABLE THE PRESIDENT: As regards the Honourable Pandit Kunzru's Resolution, the debate on which will yet take some time, I think it will be advisable to postpone it to the 25th March. I will direct that it should be placed first on the agenda paper and it will be debated in that order.

The Council then adjourned till Five of the Clock on Friday, the 20th March, 1942.

COUNCIL OF STATE.

Friday, 20th March, 1942.

The Council met in the Council Chamber of the Council House at Five of the Clock, the Honourable the Chairman (the Honourable Sir David Devadoss) in the Chair.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL : Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which have been passed by the Legislative Assembly at its meeting held today :—

A Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the rate of the excise duty on motor spirit leviable under the Motor Spirit (Duties) Act, 1917, to vary the rate of the excise duty on kerosene leviable under section 5 of the Indian Finance Act, 1922, to vary the rate of the excise duty on silver leviable under the Silver (Excise Duty) Act, 1930, to levy customs duties in addition to the duties of customs leviable under the Indian Tariff Act, 1934, to fix maximum rates of postage under the Indian Post Office Act, 1898, to fix rates of income-tax and super-tax and to continue the charge and levy of excess profits tax and fix the rate at which excess profits tax shall be charged.

A Bill to amend the Agricultural Produce (Grading and Marking), Act, 1937.

A Bill further to amend the Indian Tolls (Army) Act, 1901.

A Bill further to amend the Cantonments Act, 1924.

The Council then adjourned till Eleven of the Clock on Monday, the 23rd March, 1942.

COUNCIL OF STATE.

Monday, 23rd March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

MEMBERS SWORN :

General Sir Alan Fleming Hartley (Nominated Official).

Mr. Chandulal Madhavlal Trivedi (Nominated Official).

QUESTIONS AND ANSWERS.

GOVERNMENTS FOR WHOM COINAGE ORDERS WERE EXECUTED.

155. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state for what other Governments the Indian mints have carried out a number of coinage orders, and what is the amount of fees received from each of such Governments for this work, during the last year ?

THE HONOURABLE MR. C. E. JONES : A statement in respect of the year 1941-42 is laid on the table.

Statement.

Name of the Government for whom coinage orders were executed.	Minting charges ex- clusive of cost of metal, freight, etc.	
	Rs.	A.
1. Saudi Arabia	2,50,000	0
2. Straits Settlements	1,08,000	0
3. Ceylon	1,01,860	10
4. His Majesty's Government	4,94,600	0
5. Travancore State	52,545	8
6. Iraq	37,750	0
7. East Africa	4,31,440	0
8. Egypt	1,95,000	0
9. Muscat	880	0
10. Bahawalpur State	20,448	0

Questions against the Honourable Raja Yuveraj Dutta Singh were put by the Honourable Mr. V. V. Kalikar.

GOVERNMENTS FOR WHOM ORDERS WERE EXECUTED BY THE CURRENCY NOTE PRESS.

156. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state what foreign orders have been undertaken by the Currency Note Press, Nasik, and what is the amount of fees received from each of them during last year?

THE HONOURABLE MR. C. E. JONES: A statement for the year 1941-42 is placed on the table.

Statement.

Governments for whom orders were executed by the Currency Note Press.	Charges for Currency Notes supplied.
	Rs. A.
Ceylon	1,65,940 10
Iraq	35,267 0

CHINA NATIONAL AVIATION CORPORATION.

157. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state whether air transport service between India and China has come into operation? Will Government make a statement on the question so far as they can without divulging military secrets?

THE HONOURABLE MR. C. M. TRIVEDI: The China National Aviation Corporation is operating regular air services between India and China. It would not be desirable to elaborate what I have stated in present circumstances.

CALL FOR VOLUNTEERS FROM STATE RAILWAYS FOR THE MECHANICAL TRANSPORT SERVICE.

158. THE HONOURABLE MR. ABDOL RAZAK HAJEE ABDOL SUTTAR: (a) Will Government state whether State Railway Administrations have repeatedly called upon State railway employees to volunteer for service in the Military Transportation units and have very few qualified and experienced State railway employees volunteered their services for military duty in the present war?

(b) Were the persons who sacrificed much in the cause of their King and country by rendering approved military service during the last Great War promised a special preference for promotion on their return from military duty in several notifications of the Railway Board? Were those promises fulfilled in all cases?

(c) Will Government state whether it is a fact that qualified and experienced railwaymen are not volunteering for service in the Transportation units? Are Recruiting Officers recruiting men without any railway training and experience and sending them to Jullundur and overseas?

(d) Will Government lay on the table of this House a list showing names with designations of State railway employees still in service who rendered approved service on military railways overseas during the last Great War, and what promotion they have been given in terms of the Railway Board's promises since their return to Indian State Railways?

(e) Do Government propose to give the few railwaymen still in service on Indian State Railways who proved their loyalty in the last Great War the preference for promotion promised them with retrospective effect?

THE HONOURABLE MR. C. M. TRIVEDI: (a) Calls have been made for volunteers when necessary, the response has not satisfied the demand and in some cases the men volunteering could not be spared.

(b) The reply to the first part is that no such notifications can be traced and it is not believed that any were issued. The second part does not arise.

(c) As regards the first part, I would refer the Honourable Member to the reply to part (a). As regards the second part, training centres have been established on most Class I Railways where recruits are being trained.

(d) Government have not these particulars and regret they cannot undertake the researches necessary to secure them.

(e) As explained in the reply to part (b) no promise was held out that staff who volunteered for war service would be given any preference in promotions.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): Sir, I lay on the table copies of the Declarations of Exemption under section 6 of the Registration of Foreigners Act, 1939, as published with the notifications of the Government of India in the Home Department—

- (1) No. 1/7/42-Political (E), dated the 10th March, 1942, and
- (2) No. 1/10/42-Political (E), dated the 16th March, 1942.

Declaration of Exemption.

No. 1/7/42-Political (E.), dated the 10th March, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Monsieur J. Schim van der Loeff, Trade Commissioner for the Netherlands East Indies in India so long as he holds that post.

V. SHANKAR,

Deputy Secretary to the Government of India.

Declaration of Exemption.

No. 1/10/42-Political (E.), dated the 16th March, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Monsieur C. J. I. Welter, Associated Member for the Netherlands East Indies in the Eastern Group Supply Council, so long as he holds that post.

V. SHANKAR,

Deputy Secretary to the Government of India

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I lay on the table a further list of Commercial Treaties and Notes affecting India.

List of Commercial Treaties and Notes affecting India.

PART I.

Agreement under which the products of India receive most-favoured-nation treatment on terms of reciprocity.

Countries which are parties to the Agreement.	Nature and date of Agreement.	Description.	Remarks.
U. K. and Egypt	Exchange of Notes, 16th February, 1941.	Commerce	These Notes provided for the prolongation until 16th February, 1942 of the provisional Commercial Agreement concluded between these Governments by the Exchange of Notes, dated 5th and 7th June, 1930.

PART II.

Agreement to which India is a party.

Countries which are parties to the Agreement.	Nature and date of Agreement.	Description.	Remarks.
British India and French Establishments in India.	Agreement, 28th January, 1941.	Customs Union Agreement.	The Agreement came into operation on the 15th February, 1941. It provides that goods imported into or exported from the French Establishments other than from or to British India shall be subject to the Customs duty leviable and the restrictions and prohibitions applicable, in British India, the proceeds being credited to British Indian revenues and the French Establishments receiving an annual compensation of Rs. 6,20,000.

PART III.

Denunciation of Agreement.

Countries which are parties to the Agreement.	Nature and date of Agreement.	Description.	Remarks.
India and Japan.	Convention (July 12th, 1934).	Commercial Relations and Trade and Commerce.	Under Article 6 of the Convention six months' notice of denunciation was given to the Japanese Government by His Majesty's Ambassador in Tokyo on 26th July, 1941.

STANDING COMMITTEE FOR THE DEPARTMENT OF LABOUR

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Labour Member): Sir, I beg to move:—

“That this Council do proceed to elect, in such manner as the Honourable the President may direct, two non-official members to serve on the Standing Committee to advise on subjects with which the Labour Department is concerned.”

The Motion was adopted.

CENTRAL COMMITTEE OF THE TUBERCULOSIS ASSOCIATION OF INDIA.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary): Sir, I beg to move:—

“That the members of this Council do proceed to elect in such manner as may be approved by the Honourable the President, one person from among their number to sit on the Central Committee of the Tuberculosis Association of India.”

The Motion was adopted.

STANDING COMMITTEE FOR THE DEPARTMENT OF CIVIL DEFENCE.

THE HONOURABLE MR. E. RAGHAVENDRA RAO (Civil Defence Member): Sir, I beg to move:—

“That this Council do proceed to elect, in such manner as the Honourable the President may direct, two non-official members to serve on the Standing Committee to advise on subjects in the Department of Civil Defence.”

The Motion was adopted.

THE HONOURABLE THE PRESIDENT: With reference to the three Motions which have just been adopted by the Council, I have to announce that nominations to the Committees will be received by the Secretary up to 11 A.M. on the 25th March, 1942 and the date of election, if necessary, will be announced later.

INDIAN FINANCE BILL.

THE HONOURABLE THE PRESIDENT: Honourable Members, we will now proceed with the discussion on the Finance Bill. I may point out to Honourable Members that two days have been fixed for this purpose. Tomorrow we have got three small Bills which will not take more than half an hour or an hour to dispose of; so I have arranged that the discussion may be postponed at 4 P.M. this evening till tomorrow morning. When all Members have addressed the House, I will request the Honourable the Finance Member to reply to the debate.

THE HONOURABLE MR. C. E. JONES (Finance Secretary): Sir, I move:—

“That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the rate of the excise duty on motor spirit leviable under the Motor Spirit (Duties) Act, 1917, to vary the rate of the excise duty on kerosene leviable under section 5 of the Indian Finance Act, 1922, to vary the rate of the excise

[Mr. C. E. Jones.]

duty on silver leviable under the Silver (Excise Duty) Act, 1930, to levy customs duties in addition to the duties of customs leviable under the Indian Tariff Act, 1934, to fix maximum rates of postage under the Indian Post Office Act, 1898, to fix rates of income-tax and super-tax and to continue the charge and levy of excess profits tax and fix the rate at which excess profits tax shall be charged, as passed by the Legislative Assembly, be taken into consideration."

This Bill, Sir, commonly known as the Finance Bill, is designed to give legislative sanction, in so far as legislation is required, to the Budget proposals of the Government for the ensuing year. The Budget proposals as contemplated by the Government were fully explained by me in this House in my Budget Speech on the 28th of February and it is hardly necessary for me to go over that same ground again. It will perhaps be sufficient if I explain to the House in what respects the Bill which has now come before the House differs from the proposals contemplated in my Budget Speech, and it will probably be convenient if I take those differences in the order in which they affect the provisions of the Bill now before the House.

The first change that has been made is in respect of clause 6 of the Bill by including among the exemptions from the 20 per cent. surcharge on customs duty certain items of machinery. The past practice of Government in regard to imports of machinery has been to open the door freely to such articles as may be called the fixed capital employed in productive industries. As a result, machinery of different kinds receive different treatment in the Indian Customs tariff. Certain items of machinery such as water lifts, sugar mills, agricultural implements, dairy and poultry farming appliances and so on are admitted free of duty. They are, therefore, automatically exempt from the surcharge on duty and it was unnecessary to include them in this Bill. Certain other items of machinery such as boilers, textile machinery, printing machinery and component parts of such machinery have been included in items 72, 72 (1), 72 (2) and 72 (3) of the Indian Customs Tariff and are subject to a favourable rate of duty, namely, 10 per cent. Certain other items which really do not form the capital of productive industry are charged to the full revenue duty of 25 per cent. or 30 per cent. It might, therefore, be argued that in so far as preferential treatment is given to certain items of machinery, the surcharge would automatically continue that preferential treatment by operating less harshly on the lower dutiable goods than on the higher dutiable goods. But in consideration of the fact that at the present time, in present circumstances machinery required for the establishment of new industry is unduly expensive on account of high prices, heavy charges for freightage and insurance and so on, the Government have decided to exempt from the surcharge those items of machinery in respect of which the claim for special treatment has already been recognised, that is, those which are subject to the lower rate of duty. The other items which are subject to the ordinary revenue duty are not held to be deserving of any special concession and the 20 per cent. surcharge will, therefore, apply to them. That provision you will find in proviso (d) to clause 6 of the Bill as now before the House.

The next change that has been made is in respect of the proviso to sub-clause (5) of clause 8 of the Bill. This is largely a formal alteration designed in the interest of people with incomes below Rs. 2,000 per annum, which under the Bill will be made liable to income-tax but under sub-clause (5) of clause 8 can escape that liability by the deposit of a certain sum of money. You will find from sub-clause (2) of clause 8, which is a customary provision in a Finance Bill, that the rates of income-tax applicable under the Indian Finance Act, 1941, are continued in the case of assessee, not being a company, whose

total income includes any income chargeable under the head "Salaries" or under the head "Interest on Securities" or any income from dividends.

Consequently, the tax on lower incomes proposed in clause (a) of part I-A. of Schedule II of the Bill will not be payable in respect of such inclusions. But, on the other hand, under sub-clause (5) of clause 8, but for the proviso which has now been inserted, the assessee would be required to deposit with the Central Government, in order to obtain exemption from income-tax of a small part of his salary, an amount calculated with reference to his total income. The amendment removes this defect by providing that the amount to be deposited shall be an amount bearing to the minimum required to be deposited under sub-clause (5) the same proportion as the amount of total income diminished by the amount of salaries, etc., bears to the amount of total income.

The next change that has been made is in respect of sub-clause (6) of clause 8 of the Bill, and gives effect to a suggestion which was made in this House by the Honourable Mr. Parker, that these deposits should be exempt from legal charge. The amendment made, that is, sub-clause (6) as it now stands, places the amount deposited under sub-clause (5) in the same category as all compulsory deposits and other sums in or derived from any Fund to which the Provident Funds Act, 1925, applies.

The next change that has been made will be found in clause 10 of the Bill which relates to the funding of one-tenth of the Excess Profits Tax paid by an assessee at the rate of 66⅔ per cent. The amendment allows sufficient time for making the additional deposit where Excess Profits Tax assessments at the rate of 66⅔ per cent. have been made either before the commencement of the Finance Act or early in the year 1942-43. It gives an assessee up to the 1st day of July, 1942 to make up his mind whether he shall make the deposit or not.

The last change that has been made is in respect of incomes below the Rs. 2,000 limit (Schedule II). Honourable Members will remember that the proposal put forward in the Budget Speech was that incomes between Rs. 1,000 per annum and Rs. 2,000 per annum should be made liable to income-tax at the rate of six pies in the rupee on the excess of the income over Rs. 750 per annum, but that that liability could be avoided by the potential assessee depositing with the Government a sum roughly amounting to one and a quarter times the amount of income-tax for which he would otherwise be liable. The purpose of this provision I explained fully in my Budget Speech, but it has since been decided in deference to a considerable body of opinion which had been expressed on this proposal to raise the lower limit from Rs. 1,000 to Rs. 1,500 per annum, and these provisions will therefore operate only in respect of incomes between Rs. 1,500 and Rs. 2,000 per annum.

Apart from those changes, the provisions embodied in this Bill are as explained by me in my Budget Speech.

Sir, I move.

THE HONOURABLE SIR DAVID DEVADOSS (Nominated Non-Official): Sir, this is a war-time budget and therefore cannot be seriously opposed and we are thankful for small mercies inasmuch as the taxable limit of incomes has been raised from Rs. 1,000 to Rs. 1,500. Sir, my object in getting up now is to find out how all this money is being utilised. Are we getting our money's worth for all the great sums that are being collected? We see a lot of people going about in uniforms and so on. I suppose these uniforms also have attached to them substantial, if not fat, salaries. But what I wish to know is, are all these people effectives, or are we getting our money's worth? That

[Sir David Devadoss.]

is a matter for the Defence Department and that is sacrosanct and we cannot touch it. But I am on a more intimate subject than that. I want to know what provision is there for the protection of the people. I come from Madras and if there is an air raid in Madras there will be a stampede and a lot of people will evacuate and unless proper precautions are taken the City will be in the hands or at the mercy of hooligans, robbers and *badmashes*. I want to know what effective remedy is there to prevent this happening? It is all very well to say there is the police and other authorities to protect. But we know that in practice this does not work out well. I may mention an incident of many years ago. There was a storm in a teapot, and I really mean a storm in a teapot. There was a slight commotion in a mufassal town. The District Magistrate and the Police Superintendent went there and found a crowd and some *badmashes* had set fire to the municipal office and the district munsif's court. Well, the crowd was asked to disperse. I do not know if the crowd understood what was said. Anyhow the Superintendent of Police fired at the mob and an old woman was killed. Then in the evening I took a walk along the maidan and I found two policemen with drawn bayonets sitting in front of the English Club, and the Bishop of the place met me and said, "How is it you are walking about, it is dangerous". What I mean is, when there is trouble the local police will be asked to protect first the treasury and then probably the European officers' houses and the English Club and so on; and what is to become of the people? Who is to protect them? That is a question that is very important. I am not going to draw upon the incidents of Singapore and Burma, but this is a matter which touches us very closely. I want some sort of protection for the people from the attentions of hooligans and robbers. In Madras they formed what is called Oorkappu Sangam, that is, City or Town Protection Society. But those societies are looked upon with suspicion. What I suggest is this, that the Government may very well hand over to the people, or ask the responsible and leading men of each town and city to form associations for the purpose of protecting the people against the attentions of undesirables. Sir, so far as the Madras Presidency is concerned, the Arms Act has been so well worked there is hardly any firearm left in the place. When I say hardly any, it might be said that I am exaggerating. It is not so. There may perhaps be in the province one or two thousand firearms. Even what is known as a fowling piece—of which I do not know whether the younger members of this House have heard, but in my young days we had them, guns which you load through the muzzle and then you put a cap on and fire—even such arms are subject to very strict supervision by the police and the result is that very few people possess them. Now supposing one fine morning a Japanese parachutist descends on my compound. I have no protection against that man. He may be armed with a machine gun. And supposing he comes on to my verandah and demands breakfast or food and I order my servants to give him food, the over zealous police may prosecute me for "harbouring" an enemy under the provisions of law recently passed, though I am helpless. These are some of the things which I want to press upon the attention of the Government. The people must be protected against lawlessness and anarchy and all sorts of troubles. I am not for a moment afraid of the Japanese descending on India in large numbers, but there may be here and there air raids, there may be some trouble, and what provision is there to prevent *badmashes* troubling peaceful inhabitants? My first complaint is that the people are unarmed and helpless. They are like sheep. If half a dozen men, whether enemies or others, come with arms, a whole town like Madurai or Trichinopoly will be helpless unless an army is there; and the army is not all

over the place. You may remember in 1938 I moved a Resolution that the Madras Regiments should be revived, and you remember what the then Commander-in-Chief said. He complimented me on my speech and said, "Oh, our policy is different. We won't do anything". Within a year of my making that Motion war was declared, and then you wanted armies to be raised. You cannot produce an army out of your hat. You must train people to fight. You must train people to take a real interest in the matter. What I want is that the people must be made to understand that it is their war. It is not a war in which Government alone is interested but the whole of India is. The people of India are interested and what steps are you taking to make the people understand that their safety lies in trying to protect themselves. I find, Sir, that the efforts are very few. No doubt in Madras we are all very anxious to raise money for the Governor's War Fund and we have reached, I believe, the Rs. 2 crore limit and we are very proud of it. Most people think that that is all that they have to do, that if you subscribe to the Viceroy's War Fund, if you subscribe to the Governor's War Fund, you have done your duty, that the war is not going to come to your door, you are not going to be affected. I think this mentality ought to be removed. People must be made to understand that India is in real danger and they must protect themselves. Before any trouble comes from outside, I want no kind of lawlessness, no kind of anarchy, to prevail in the country, by taking proper steps. Private societies trying to prevent lawlessness should be encouraged. What I would suggest, subject to what the Government may say, is that old firearms may be given to young men and they may be asked to use them. The very fact that there are a few firearms in a place will prevent *badmashes* from trying to create trouble or to commit robbery or some worse offence than that. Take young men into your confidence. You can make the U.T.C. in Madras, for instance, into a very large association. Try your best to bring in the young men to protect streets. You can tell half a dozen young men to protect a particular street and provide them with one of the useless firearms. These are not going to be used against the Government. No doubt the policy was to distrust the people. Firearms were taken away because they might be used against the Government. This is not the time to think of that; this is not the time to have those considerations. We want, Sir, protection not only against foreign enemies but we want also protection against the enemies within the country. I therefore suggest that young men of the place might be asked to form themselves into groups to protect each street, each village, each town, and so on. If that is done, I think we shall be free from—we shall not be quite free but at least we shall have some security against—the attentions of *badmashes* and robbers.

Sir, it is not my intention to take up the time of the House. All that I want is that the Government must realise that it is not merely by fighting the Japanese that you can have peace and security here, but by making the people understand that it is their war and their interest is to see that the war comes to a favourable conclusion so far as we are concerned. We are not trying to avoid it. Even if it comes to our door, we must be able to defend ourselves. Over and above that, before that happens, we want internal peace and security; and for that purpose I want Government to do all that is possible to see that people are protected against the attention of robbers and hooligans.

THE HONOURABLE SIR RAMUNNI MENON (Nominated Non-Official): Sir, it has become fairly clear that the Finance Member's new proposals, however open to criticism they may be in detail, will find a large measure of

[Sir Ramunni Menon.]

general acceptance. It is therefore with great diffidence that I venture to offer a comment on one of his proposals, the proposal relating to excess profits. I am not personally interested in war profits and any comment that I may make will be directed from the point of view of the critic who holds that it is immoral for any section of the community to exploit to its private profit the needs of war, the evil thing which generally brings suffering, misery and loss to the community as a whole and is so hateful to all of us. I think that attitude of mind is supported by the practice in some of the foremost democratic countries in the world. I am speaking subject to correction, but I believe in Great Britain excess profits are taxed at 100 per cent. subject to a repayment of 20 per cent. after the war. I believe that in Australia anything more than four per cent. is absorbed by the State. I believe also that there is a proposal in the United States to annex to the State anything more than six per cent. If these facts are correct, it will be seen that in all these countries almost the whole of the excess profits which are practically war profits goes to the State. Now, what is the position here? I believe I am right in saying that here an assessee by paying 66½ per cent. can avoid all further liability. He has also the option which may be exemplified by a concrete instance, namely, he can pay 80 per cent. and get 20 per cent. of it paid back to him after the war. I hope I am right in these statements. One would like to ask what it is that prevents the imposition of a higher rate of tax on these war profits in this country. Is it, as it probably is, that the Defence expenditure in this country has not reached that magnitude which can be utilised to squeeze out practically the whole of the excess profits into the coffers of the State, or is it that public opinion in this country is not sufficiently strong in the matter? It is probable that public opinion in this country is rather confused in regard to these war profits. Indian industry has made phenomenal progress since the outbreak of the war. The process of industrialisation in this country has at the back of it strong popular support, and strong public opinion; and considered as a part of the process of industrialisation the recent development of Indian industries is to be heartily welcomed. But that attitude should not lead us to forget another aspect of that development, namely, that Indian industries, like industries in any other country, are during war time making enormous profits. I think it is reasonable to demand that practically the whole of these profits should come to the State. I am not raising this point in the expectation that the Honourable the Finance Member will go into the matter in detail, because it will be unreasonable to expect him to do so for the simple reason that in so doing he may be obliged to disclose his future plan of action. I am only concerned to stress a particular point of view and I should be quite content to leave to the Finance Member the question whether, taking all relevant facts into consideration, he cannot, when he wants more money, look for it in the domain of excess profits.

In a weighty part of his Budget Speech the Honourable the Finance Member explained that his new proposals for raising money should be regarded as being designed to meet two purposes: first, to provide the money necessary for meeting the deficit; second, to act as a deterrent to the inflationary tendency which has begun to manifest itself in this country. His pronouncements on this latter aspect will have brought considerable relief to the class of persons in this country—a fairly numerous class I believe—whose income, small or big, consists mainly or exclusively of fixed money income and who had begun to feel rather apprehensive of their financial position in the face of rising prices. From this point of view, it is rather unfortunate that in the very act of building up his inflationary defences the Honourable the Finance

Member by accepting an income-tax amendment which is otherwise quite unexceptionable lost two-thirds of his equipment under that head. I hope he will soon provide himself with sufficient replacement. I think he will find plenty of material in the field of excess profits and if he cares to adopt the pattern provided by Great Britain I am sure he can before long equip himself with a number of big anti-inflationary guns.

In the course of the debate in the other House certain questions were raised relating to the termination of the existing surcharges and the future fiscal policy of the Government of India. It would appear that the future fiscal policy of the Government of India will be considered by the Reconstruction Committee. Now my object in referring to this matter at present is simply to stress the point of view that the questions of fiscal policy and surcharges should be regarded in relation to the functions of the future Government of India. I hope the post-war Government of India will develop a wider, a more liberal, conception of its functions and responsibilities, which will permit or compel the Government's more generous participation in financing the social services and other needs of the country as a whole. If this point is accepted, then it seems to me the future fiscal policy will have to be framed in accordance with the new conception. In other words, in addition to the usual factors which are taken into consideration in framing a fiscal policy, it should be so framed as to provide an adequacy of funds with which the obligations of the Government of India under the wider conception of its functions can be fulfilled.

The Honourable the Finance Member in the concluding part of his Budget Speech gave eloquent expression to his faith that India will be marching to the victorious dawn of a new world. That fine sentiment will find its echo in the aspirations which gladden the minds of many people in this country; but I think we should not be content to cherish this idea of a new world merely as a distant ideal but we should try and bring it within the range of immediate definite practical action. In all countries which are now at war, particularly in the democratic countries, the idea of preparing for a post-war world has taken definite shape. They have all appointed post-war Reconstruction Committees. Here also, thanks to the zeal and foresight of the Honourable the Commerce Member, Reconstruction Committees have been appointed. I believe there are two such Committees. I am not quite clear what the relations between them are, but I believe the Committee which is concerned with the main problems of post-war reconstruction is the one known as the Consultative Committee of Economists. Now I have no precise information as to the functions of this Committee, but, as far as one could judge from the titles of its Sub-Committees, the scope of its activities is confined to the economic field. It would appear that their main function is to prepare for the change over from war to peace. Now, I submit that there are other problems of an equally important and urgent character, which are worthy of consideration of a post-war Reconstruction Committee. That Committee should not take a narrow view of its responsibilities. There are defects, maladies, and maladjustments in the body politic which, though not immediately caused by the war, have been brought into acute relief by the war and by the incessant talk of a better world to come. These defects and deficiencies require immediate attention. Among these I would mention in particular education, nutrition, and public health. To my mind, the most urgent need in this country today is not so much constitutional change as the provision of the essential social needs of the country. Education, to my mind, is the most urgent need, and no Government of India can take shelter under the plea of

[Sir Ramunni Menon.]

non-liability which is provided for it by the Government of India Act, in its failure to discharge an essential duty of a Government, namely, the promotion of the well-being of the people. I would, therefore, venture to press upon the Government the supreme need at this time of enlarging the scope of the activities of the Reconstruction Committee and of adding a sub-committee on Education. Its function should be to collect the necessary information, to carry on the preliminary investigation and consultation, and to prepare some sort of blue print for an all-India educational drive as soon as the war is over.

To summarise, Sir, I venture to suggest that the Honourable the Finance Member should explore the field of excess profits when he wants more money. I suggest that the Government should pursue with vigour its anti-inflationary policy. I would suggest that the future fiscal policy of the Government should be considered in relation to the functions of the future Government. Finally, I venture to press upon the Government that they should lose no time in appointing a special sub-committee to take charge of post-war educational problems. With these few remarks, Sir, I give my hearty support to the Finance Bill.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan) : Mr. President, Sir, before I go on to lay before you the bigger and vital reasons that go to determine my attitude towards the Finance Bill, I should like to refer to one or two minor points.

Sir, when the Executive Council was expanded, a separate portfolio was created for "Information and Broadcasting". A joint committee was elected, in course of time, of members of both the Houses to advise on matters connected with these two Departments and I was elected by this House as a member of that committee. I am sorry to have to say that no meeting of the committee has so far been called and no advice has been sought. I am sure that had the late Sir Akbar Hydari been left to us longer, things would have been otherwise. But surely the Departments are being run by some one, and having no other alternative but to take advantage of the occasion afforded by the Finance Bill, I wish briefly to refer to one or two things appertaining to the Department of Broadcasting.

The first thing which a radio listener notices is that there is no co-ordination of programme between one station and another—all controlled by the A. I. R. If reception were meant to be confined to the various zones separately, the present state of affairs may be considered satisfactory. But, howsoever you may regard your stations as independent units, the listener is not satisfied to treat them as so. Co-ordination of programme is an essential step towards further progress of broadcasting in India. It will not only satisfy the public but will result in considerable saving of energy and money.

The second point is that where it is absolutely essential to borrow or hire a talker, the talks should be recorded on a pre-sto-disc and re-broadcast from outside stations. Thirdly, an artist when borrowed has to be paid much more. The only explanation is that it is good to do so for variety of programme. But I fail to understand what variety is afforded to the listeners when a Lucknow artist sings from Delhi or a Lahore artist from Lucknow. The listener can get the programme of all the stations and it does not matter from where the artist sings. Fourthly, I have on some occasions noticed that Hindustani talks from Lahore and Delhi are 90 to 97 per cent. talks in Urdu. I have figures of plays broadcast in 1939 and they are as follows. Total number of plays broadcast, 369—Urdu 350, Hindi 19; royalties paid on Urdu plays

Rs. 5,942 and Hindi Rs. 415. There are several such instances of prejudicial discrimination, but I shall not take the time of the House any further in multiplying instances. Lastly, Sir, I shall refer to the language of the A. I. R. I do not propose to make a detailed comment. I would only like to say that if we are convinced that a common Hindustani language can be evolved, then we should see that a proper balance is kept in all our spoken-word items in Hindi and Urdu. Hindi-speaking people are not happy with the present policy, and bitter criticisms in the Press and Assembly questions do no honour to the Department. The listener who does not know Persian cannot follow 60 per cent. of the news broadcast from Delhi. The language used is unnecessarily over-burdened with Persian words to the rejection of words which are commonly used by Hindus and Mussalmans alike all over India and in all provinces. Why should the A. I. R. use words like "magarabi", "shumali", etc., instead of their popular equivalents "uttar", "pachhim", etc.?

Sir, I now come to the terrible situation created by the war and the preparations being made to meet that situation. Every age is generally described as a critical age, but never before during the last 200 years has India had to face a more critical situation than she has to face today. Today the earth trembles beneath the tramp of armed feet, the heavens rain desolation, and the oceans are ploughed by the messengers of death. Near about the shores of India can be heard the booming of guns and although we have not yet had to face the tortures and horrors of modern warfare inside our own land, our minds have been rudely shaken and the placidity of a century of peace rudely disturbed. Our failures at Java, Singapore and Burma have also to some extent shaken the confidence of the people and left most of us wondering. Mr. Atlee, whose speech is reported in the Press today, is reported to have said :—

"I think today that our people are perhaps a little bewildered. Events have happened unexpectedly to them. They wonder why. They tend to think that the Government is also bewildered. All this no doubt is very disturbing". But, Mr. Atlee goes on to add, "that this is more or less due to lack of knowledge of the realities of the situation".

Let us, Sir, join hopes with Mr. Atlee that the hopes of our enemies are dupes and our fears are liars. But this fact, however, cannot be denied, that the democracies underestimated their enemies and consequently underestimated the amount of material and the number of men necessary to defeat them. But more tragic than everything has been the fact that they underestimated the amount of time available to make their preparations. The Roger Mission is said to have put forward proposals that would have made India an important supply base, and India has in fact been an important supplier of the Middle East, but not of the articles that mean so much in the final analysis, I mean heavy armaments such as planes, tanks, guns, rifles and ships. The result is that even proposals like the formation of home guards have to be turned down on the ground that all that can be had are needed for the army. There are only two ways of resisting the enemy. The first is the aggressive form of defence and the second is the prodigious development of our own war effort in India and the determination of all ranks of the people from the highest to the lowest to resist the enemy at all costs. There is not much use dumping material in England while the real battle rages in the Far East. Today it should not be what material can be spared and from where, so much as where can the equipment be put to the greatest possible use. Is it prudent to keep, particularly production machinery, thousands of

12 NOON.

[Rai Bahadur Sri Narain Mahtha.]

miles away from the greatest theatre of war and spend many many weeks in sending supplies in a limited number of ships through enemy infested waters. According to the Government of India a number of projects are going forward, a detailed report about which cannot be given because it would contain information which the enemy would like to have. It is clear, however, that the danger to India was not fully appreciated in time either by Delhi, London or Washington. The obstacles in the way of industrialising India have been many. The narrative of the automobile industry, that of the ship-building yard and production of aircraft, etc., are too well known to be repeated here. I would like to say a word or two about the ultimate objective that has been kept in view. Mr. Guy Looock, a member of the Roger Mission and a Director of the Federation of British Industries, when he gave an account of the Mission's work said :—

"No steps have been taken to expand production as a result of the Mission's visit which are not essential for war purposes, and he saw to it that on the whole post-war interests of British industry are not likely to suffer so greatly as one would have expected".

This statement lets another cat out of the bag and proves that even in the midst of a total war British industry and its supporters think not in terms of victory but in terms of trade and future competition in the post-war world. This dominating interest of Britain has retarded industrialisation not only in India but even in Australia. It has kept at a very low level the war potential of this country of endless resources, and led to over centralisation of production in England and eventual bad distribution. The establishment of a Middle East Supply Council in Cairo has openly been in the interest of post-war British trade, and although I am not intimately aware of its working, I will be surprised if it is not working more with an eye to the progress of post-war British trade under the fullest assistance from the United Kingdom Commercial Corporation, a big competitor of the Indian trader and exporter.

Sir, on several occasions spokesmen from the Treasury Benches have declared that their guiding principle in administration is efficiency-cum-economy and that on the example which they have set up before the country they think that they have a rightful claim to ask for sacrifices from the people. The real position however is not so sweet as that. I shall not make a direct attack on their efficiency because I have not got much material before me to do so, but I wish to tell them one thing, and that is that there is no Government, no set of officials in any country—I am making a collective estimate—who are further removed in sympathy and attachment from the people they govern than the Government and the officials of this country. This is a very serious state of affairs, particularly in war time, and must be remedied. I know that this situation is the result of history, but I should have done very poor service to my country or to the Government if I had not drawn their pointed attention to this position which is deplorable, but which doubtless can be remedied if there is a heart and the desire to do so. Regarding economy, the position is preposterous. So long as the concessions made by the Lee Commission, concessions which are popularly known as Lee Loot, continue to be enjoyed by the European members of the Civil Service, it is a piece of high-browed affront to talk of economy. There is no justification for the continuance of those enormous allowances granted under totally different conditions two decades ago. Even when they were granted they were unjustifiable and during the present time must be scrapped. If the Finance Member wants people to accept his assurance on the question of economy, there is a way and an easy way to save some crores for the Indian exchequer.

Prestige, tradition, exaggerated reverence for past methods, none of these things must be allowed to stand in the way.

Mr. Amery and some others say that the Indian politicians who have year in and year out opposed the army budget cannot in fairness to themselves criticise the Government for any deficiency from which the Indian Army may now be found to suffer. It is a wrong accusation made against us. We never wanted that the military strength of India should be weakened. All we wanted was that the British troops should be replaced by Indian troops so that we may have four soldiers instead of one and for the same cost. We wanted that the officer ranks should be Indianised as fast as possible, a demand which is patriotic, but which has so far received very poor consideration at the hands of Government. We wanted an Indian Defence Member because we felt, as we do feel now, that only under national leadership can a country be best roused to make sacrifices. We wanted, and we want today, full self-government because self-government alone can generate that enthusiasm which is necessary for fighting—the cause of democracy. General Molesworth, Deputy Chief of the General Staff, speaking on Wednesday last at the Delhi Rotary Club dinner said that the Chatfield Committee accepted the proposals of the army authorities in India but they could not get the stuff they wanted for reorganisation when the present war broke out. For several reasons the first ten months of the war were lost. The blame for this lay with other authorities than those in India; but those 10 months they had never been able to catch up. He further went on to say that the next few months are most critical. The whole difficulty is that production in the U.S.A. has not come up to expectations. They are always 10 months behind, whatever they may say. Thus, said General Molesworth, for the time being we have to rely definitely on our own resources and such large reinforcements as we are getting now. If the above is a correct report of the comment made by the General, will it be unfair to ask that the best and the most well-equipped Indian troops should be brought back to India which is today herself in direct danger of attack. I wish to pay at this stage my sincerest homage to the bravery and skill displayed by our troops in various theatres of war.

Sir, I have year after year opposed the Finance Bill, but never on financial grounds, because I realise that money has got to be found and the war has got to be won at all costs. My opposition has always been based on political grounds and as a measure of protest against the constitutional position of this country. I am prepared to make all sacrifices for the victory of the democracies but I want also a democracy for my own country. I am not satisfied with the expansion made of the Executive Council by splitting up the old portfolios in order to accommodate more Indians. There are more Indians now in the Executive Council but this has not resulted in the transfer into Indian hands of the important portfolios of Defence, Home, or Finance. Real power resides in these Departments and these still continue to be the exclusive preserve of Europeans. Then, Sir, we have an irresponsible and irremovable executive and I cannot see why a Government which does not trust the representatives of the people should expect trust in return. Sir, I have repeatedly said in this House that I yield to none in my enthusiasm for war effort and I do feel that the defeat of the democracies in this war will lead to the enslavement of all those who believe in the free development of human personality in a State based on social justice. I am a member of the District and Provincial War Committees, I am the President of the District Hindu Sabha, and the President of the Landholders' Association in my part of the country. But neither the democratic ideology to which I am wedded, nor my association with the bodies I have mentioned, make me regret any the

[Rai Bahadur Sri Narain Mahtha.]

less that I am a slave in my own land and consequently I feel that I must signify my protest against the constitutional position of my country in the only constitutional way open to me and that is by not supporting the Finance Bill. I should in the normal course have opposed the Bill outright as in previous years, but there is one consideration that faces me today and that consideration is this, that whenever in the past we have referred to the constitutional deadlock in this country we have always said that the initiative to solve the deadlock should be taken by His Majesty's Government. That initiative has been taken and the British Cabinet has chosen the right person to come here and deal with the situation. He may be here within the next few minutes. Therefore, Sir, as a gesture of goodwill to Sir Stafford Cripps' mission, I wish to convert my usual opposition, although symbolic or emblematic in character, into one of neutrality.

Before I resume my seat, Sir, I wish to express a desire which I think will be generally shared by the members of this House. We are soon to have a secret sitting of this House and I wish, and I hope that the other members of the House would also wish, that Sir Stafford Cripps should attend the debate. I am sure he will spend his time usefully in doing so, when members on both sides would be speaking without reserve.

I wish to take one more minute, Sir, to refer to one point. I have before me a Memorandum submitted to the Government of India on behalf of the Delegation of Indian Merchants, Traders and Landlords now resident in India, having evacuated from Burma. This has been presented to the Honourable Diwan Bahadur Sir Ramaswami Mudaliar, Member in charge of the Department of Commerce. I would like to refer to only one small paragraph in this Memorandum. It reads as follows :—

"Before the outbreak of the present war with Japan, and subsequent thereto, Indian merchants and traders in Burma had sold goods to the Government of Burma or the various Departments of that Government. In respect of these transactions, the vendors of goods had received payment from time to time, but a number of Indian traders and merchants had not received payment of the price of goods sold by them to the Government of Burma and/or its Departments. This was due to the fact that the Government of Burma had ordered all civilians to leave Rangoon and the seat of Government itself was transferred to Upper Burma. In the resulting chaos and confusion, it became impossible to communicate their claims to the Government for payment, and up to date payment has not been made".

In this respect, Sir, I only wish to make one request to the Government and that is that the claims of these people may be registered here and an inquiry made from the Government of Burma and after that the Government of India may collect the money and pay these people.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadian) : Mr. President, we have been asked to vote money for the Finance Bill. The Honourable the Finance Member in the other House implied that it would be as absurd to expect America to balance the Budget for us as it would be to expect Russia to win the war for us. We have to rely on ourselves for balancing the Budget and winning this war. The Budget can be balanced, Sir, if we vote money, but money will not win the war for us. Britain had men, materials and money, but it was not able to hold Hong Kong, Singapore, Malaya and a part of Burma, because it had not the full moral support of the people of those countries. And, Sir, we required an admonition from the great Chinese Generalissimo Chiang Kai-Shek for the British Government to know the secret of Chinese resistance and Russia's successes in contrast with their

own stupendous failures, despite the advantage of much better resources. The visit of Sir Stafford Cripps may be the direct result of this admonition, but, Sir, we are not in a position to know exactly to what extent Sir Stafford Cripps is going to deliver to us the goods. Again, there is serious apprehension in certain quarters that much valuable time may be wasted in consultations and negotiations, while Japan is ready to strike at any moment without all these formalities.

The scandal of racial discrimination against Indians in Malaya and Burma is beginning to embitter the hearts of our countrymen everywhere and it may have far-reaching consequences which the authorities have at the moment little realised.

The protest of the Indian industrial classes against an indiscriminate scorched earth policy has been sought to be misrepresented in certain quarters. Without holding any brief for Indian capitalists, I may state that the reason for their protest is to be found not wholly in saving their own property. However, British industrial classes are not above the motive of private profits and they have had to be pulled up on several occasions. What our Indian industrialist feels is that if there is an indiscriminate destruction of all property, and if our industries are extinguished British industrialists in the post-war period may have a glorious opportunity of exploiting this country for generations to come. If, on the other hand, India were proclaimed a Dominion like Australia or Canada, Indian industrialists could rely on its own Government for a certain amount of compensation or at least for renewing its concerns and industries with the support of its own Government.

The soldier, the sailor, the pilot and all the fighting services would fight much better if they knew that they were fighting for their own freedom, rather than as it has often been said, for drawing out the chestnuts from the fire, for the British. The extraordinary statement that there is a shortage of 4,500 clerks in the Indian Army and the spirit of fatalism or defeatist mentality would vanish, would disappear, the moment India is declared a free country.

The Honourable the Finance Member, Sir, might feel that the whole fortune of this war depends upon whether he fixes his taxable limit of income to Rs. 1,000 or Rs. 1,500 or upon his pet theory of national savings, but, Sir, money is not going to win this war. We may be able to balance the Budget by sanctioning the money on the Finance Bill, but what is wanted for winning the war is the moral support of the people of this country. Let Indians be trusted with freedom—that much coveted ever-illusory freedom—and India will end this agony and lead back the world to the path of peace and progress.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, in normal times the Budget proposals of a Government, whether responsible to the country or irresponsible, are scrutinised very carefully and if the Government is responsible that Government accepts the verdict of the nation and modifies the proposals accordingly. We are moving in abnormal times. The other greatest disadvantage under which we are labouring is that the Government which has brought these proposals is not responsible to us. The people of the country have no hand practically in framing the proposals because the Government take orders in these matters not from the people of the country but from Whitehall. Sir, in abnormal times like these and when the war is at the front gates of India an additional taxation of Rs. 12 crores may not be much but this additional taxation has to be borne by India in addition to the taxation that she is bearing since the outbreak of the war, and I understand that amounts to about Rs. 20 crores.

[Mr. V. V. Kalikar.]

Sir, if the Government had been responsible to Indians then in that case the burden would have been borne and borne cheerfully, but, situated as we are, we have to bear this burden in spite of our grievance against it because we have no hand in framing the proposals, we have no hand in scrutinising the expenditure and still we have to bear it because the war is there. Sir, if we look at these proposals from this point of view, that the representatives of India have no hand whatsoever it is quite natural for Indians to feel that they are being crushed, and crushed to the utmost extent, by this Government which is quite foreign to us. The proposals according to some may be good. There is a scheme of savings in those proposals; that scheme is appreciated in some quarters while it is rejected by others. I think, Sir, that scheme may be given a fair trial, but, Sir, the question is when India is asked to bear the heavy burden of taxation which she is not able to bear because India is mainly an agricultural country and not an industrial country, there must be something, there must be some policy followed by the Government which must induce India to bear the burden cheerfully. Sir, the policy that has been followed—I am not referring to the policy that has been followed before the war but the policy that is being followed by the Government since the outbreak of the war—does not create enthusiasm amongst the people of the country to share the burdens of additional taxation cheerfully. People think that they do not get the full value of the taxation they pay and I submit, Sir, that the complaint of people in India is just and right.

Sir, we, after all, are in a position where we cannot under any circumstances bring pressure on the Government to modify their proposals and therefore we are to thank the Government for whatever small mercies they have shown to us. From that point of view, I thank the Government for accepting two amendments in the other House, and I hope that the amendment that has exempted the lower middle class from taxation will give some relief to that particular class.

Sir, I now come to the question of defence, about which we are told we have to pay a large amount and we are asked to bear additional taxation. In this connection, Sir, I propose to examine briefly the policy that has been followed since the outbreak of the war by the Government. I do not blame, Sir, the Government of India for following that particular policy, because I know as the Government of India is a subordinate Government to the British Government they have to follow the policy that has been dictated to them by Whitehall. I am referring to this question specially, Sir, because the Honourable the Finance Member in his speech on page 4 says, "The recruitment of officers in India has not on the whole been as satisfactory as we could have wished". I would remind the Honourable the Finance Member to look into the debates of this House during the last ten years. He will then find that it is not India who is responsible for this state of affairs but their own spokesmen like Sir Phillip Chetwode and Sir Robert Cassels who stated on the floor of the House that out of 400 million people in India, they could not get even 60 officers for manning the officer ranks of the army. That is a past tale. But let us look to the present. After the outbreak of war they announced that Indians from all castes and creeds would be taken for emergency commissions and they also announced certain quotas for certain commands. Sir, in fixing the quotas for certain commands they wanted a fixed number of educated youths from our country. At the same time they were carrying on with the process of recruiting Europeans, Anglo-Indians and Australians. When they found that educated men were coming forward

in large numbers, they rejected those men on the ground that the quota fixed for certain commands were complete. That quota system was abolished after a year. These young men who were rejected, not on the ground that they were unsuitable for the army or air force or the navy but because the quotas were finished, naturally felt annoyed when they came to know that Europeans and Anglo-Indians were taken in very large numbers while they were refused admission. This state of things continued and is still continuing and I am afraid if no change takes place in this policy, the youths of India would not come forward in the numbers in which we want them for the defence of their country. After all they have got their self-respect. When they find that Australians who do not allow Indians free entry into their country, who do not give ordinary rights of citizenship to Indians in Australia, when the Prime Minister of Australia preaches "Australia for the Whites", are recruited freely in the Indian Army as officers, how can the Government of India or the British Government expect the educated youths of India to join the defence forces in very large numbers? Still, people like me who have from the very beginning of the war taken some interest in getting young boys to man the officer ranks of the defence forces, have been trying our utmost to impress upon them that they must take to the army to defend their hearths and homes. But the policy of distrust which has been consistently and deliberately followed by the Government of India to avoid taking Indians in the defence forces of India has brought about this situation. Let us take the case of the technical services that we have discussed and that is still under discussion. The figures that we got the other day from the spokesman of the Defence Department show that in these technical services the percentage of Indians is going down. Take the Artillery service. In 1940-41, the percentage of Indians was 14 or 15, and now the percentage has gone down to 12½. Take the case of the Engineering Service. There are very few Indian officers there. The same is the case with mechanised cavalry. I understand that the percentage of Indians is about 20 there. All these things had a cumulative effect in damping the enthusiasm of the educated men from joining the defence forces of India in very large numbers. Who is responsible for this state of affairs? It is the Government. It is the policy of the British Government who do not want Indians to come in large numbers into the army. We are told every now and then that the money that is being raised is for the defence of India. We have to spend about Rs. 133 crores from Indian revenues next year for the defence of India. We agree to spend that money. But let us know what part we play in the expenditure of it. Let us take the case of the appointment made in the Public Relations Branch of the Defence Department. Correspondents of English newspapers in India have been appointed in that Branch while denying the claims of competent young Indians. Now, Sir, I want to address myself for a moment to the question whether since the outbreak of the war the Government of India or the British Government have really followed the policy of taking India into their confidence and helping India to resist foreign aggression. In my opinion the answer to that question is in the negative. According to me the policy that has been followed up till now and is still being followed is to centre all war activities in the hands of a few bureaucrats in India without allowing the people to associate themselves with those war activities and without in any way having any confidence in Indians in the prosecution of the war. It is really unfortunate, as I have said several times here, that our friends who were in power in seven provinces left after the war broke out; otherwise in my opinion they could have used their limited power to a very great extent in finding out proper methods for defending India against foreign aggression and internal trouble. But, apart from that, let us take the case of Assam. After the defeat of the old Ministry

[Mr. V. V. Kalikar.]

in Assam, Mr. Chaudhri tried to form a stable ministry and he was given to understand by the Congress Party in the Assam Legislature that his ministry would be supported by them. But the head of the province would not agree to that gentleman's proposal of forming a ministry though he knew that a stable ministry would be formed. Sir, we all know the evil effects of one man's rule in the provinces. We know what happened in Bhagalpur. We know that the Muslim League there had decided that the ban should not be placed on the Mahasabha, but in spite of that the head of the province took a different decision and there was all that *tamasha* in Bhagalpur. I say *tamasha* because friends who had gone there told me that it created a great agitation, that for two or three days people in Bhagalpur were saying that the Japanese were their friends, the Germans were their friends. I fail to understand what the Government have achieved by taking arbitrary and indiscreet action like this? Do the Government really feel that by taking such action they have been able to further the war effort in India? Sir, we all want to join in furthering the war effort in India provided we are given complete share in the administration of the country. Even now I find attempts are being made in a section of the press and also in exalted circles to dislodge the Ministry in Bengal. The House knows from the debate that took place in Bengal that the present ministry is a stable ministry and it was with very great difficulty that that ministry came into power. But now steps are being taken to turn the ministry out of office. Is that the way to help, is that a proper way of helping Indians to work the constitution? Instances like these can be multiplied and I think it is perfectly legitimate on the part of some Indians to be indifferent towards the war effort because they think that they are not taken into confidence. Persons like myself who want to militarise India, who want that Indians should be in a position to resist foreign aggression and control internal trouble, do desire that all Indians should take part in the war effort. But our hands are weakened not on account of anything done by our countrymen but by the policy followed since the outbreak of the war by the Government of India and the British Government. Take the case of industrialisation. Industrialists will be able to speak with great authority on this subject, but the speech of Sir M. Visvesvaraya at the last All-India Manufacturers' Conference shows clearly that industrialists in India are handicapped at every moment in starting industries for helping the war effort. If we had a national government at the centre and our own governments in the provinces such a situation would not have arisen. I submit that since the outbreak of the war the efforts of the British Government have been devised to keep the authority in the hands of individual bureaucrats and to deny to the people the right of association in the war effort, and therefore we have to face this situation.

Sir, this side of the House has up till now on the occasion of the Finance Bill taken an attitude of opposition not on the ground that we do not want to help your war effort, but on the ground that this is the proper forum where we can register our protest against your action. But, Sir, as Sir Stafford Cripps is coming to India we all desire that his mission should not be sabotaged. Attempts are being made in certain quarters to sabotage the mission. We desire that he should be successful in his mission and therefore we wish to take a different attitude. I therefore submit that it is not only the duty of Indians to accord him a warm welcome and support him but it is also the duty of the bureaucrats in India to support his scheme and see that India gets freedom which is the natural desire of every citizen. Sir, my political Guru once said that Swaraj is India's birthright. I know that Sir Stafford Cripps

will be able to solve this problem and give us that freedom for which we are longing.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, the Bill before us, as the Finance Secretary explained, has been modified in important respects in its passage through the other House. No feature of the Bill was more adversely criticised here than the desire of the Government to tax people with incomes between Rs. 1,000 and Rs. 2,000 in respect of the excess of their income over Rs. 750—

THE HONOURABLE MR. C. E. JONES : May I say, Sir, that we had no desire to tax them at all? That is why we gave them such a favourable option.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : You do not give me an opportunity of finishing. You get up and point this out as if I was really guilty of any mis-statement. So far as I have proceeded, my statement is perfectly correct. It is unchallengeable. Government allowed these people an opportunity, if they wanted to discharge their liability in respect of the tax, to deposit a sum nearly one and a quarter times the tax with the Central Government. We in this House suggested that people with incomes up to Rs. 1,500 should not be brought under the scheme. I need not refer to the reasons which made us oppose the Government's scheme as it stood, but I am glad to find that owing to an unexpected point brought forward in the other House Government have had to yield and a modification has been made, the result of which will be that only people with incomes between Rs. 1,500 and Rs. 2,000 will be taxed or in the alternative required to deposit a certain sum of money with the Central Government. While it is a matter of satisfaction to us that the changes to which the Finance Secretary drew our attention have been made in the Assembly, I should like to draw his attention and the attention of the House to the fact that certain postal charges have been enhanced. The announcement has appeared in today's papers. They relate to inland money orders, the recovery of sums in respect of value payable articles and the insurance of postal articles. We were told in the Budget Speech by the Finance Member, and I think we were told by the Finance Secretary also, that some postal charges were going to be raised and some of them were specifically mentioned in the Budget. What I should like to know is whether the charges that have now been enhanced were contemplated when the Budget was presented or whether they have been enhanced because of the changes made in the Finance Bill in the other House? The second point on which I should like to have information, Sir, is the liability of India in respect of goods obtained under the Lease-Lend Act. The matter was discussed in the other House but the remarks of the Honourable the Finance Member as reported in the papers still leave the position obscure. If he has been correctly reported, he said that the liability of India would amount to Rs. 1½ crores only. If that is correct, I should like to know whether he was referring to the current year or to the next year—

THE HONOURABLE MR. C. E. JONES : Next year, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : If that is so, why should provision be made in our Budget in respect of the payment for those goods as if we were liable to pay Rs. 34 crores.

THE HONOURABLE MR. C. E. JONES: It has not, Sir. Provision has been made for the payment of Rs. 1½ crores.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: So far as the Budget Speech of the Finance Member is concerned, he pointed out that he was making provision for India's liability as though it would have to be met in cash. I am not quoting his exact words, but I am merely paraphrasing what he said. However, I trust that the Finance Secretary when he speaks will make the position clearer than it still is.

Sir, I should like to make a few suggestions with regard to the accumulating sterling balances of the Government. I am one of those who wholeheartedly approve of the policy so far adopted by them in respect of the redemption of the sterling debt. I think they deserve every credit for having put forward to the higher authorities the view repeatedly expressed by Indian public men and it is a matter of satisfaction to us that the sterling debt of the Central Government has been practically wiped out. But the sterling balances that are accumulating may still be used in other ways to our advantage. During the Budget debate I suggested that certain State Railways which were still under Company-management should be brought under State-management. These Railways are the Bengal Nagpur, South Indian and the Madras and Southern Mahratta. The total capital involved, that is the share capital that will have to be paid by Government if it takes over the management of these lines, would amount to about £9 million only. Of course, it is true that Government cannot take over these lines unless they receive the help of the Secretary of State, but in view of the sanction given by the Secretary of State to the repayment of the undated loans, I trust he will have no objection to allowing the Government of India to make use of their sterling balances to carry out the measures suggested by me.

Another measure of this kind, which I should like to place before Government is the repayment of the sterling debt of the Port Trusts. The total value of their debenture debt also, so far as I can see, amounts to about £9 millions and here again with the help of the Secretary of State they can pay off this debt. I realise that the sums involved are not large and that considerable balances will still remain at the disposal of the Government. Nevertheless the suggestions that I have made appear to me to be somewhat important and are certainly in accordance with public opinion. Besides, there is no reason why Government should not take the steps suggested by me since their point of view in this matter, generally speaking, seems to be the same as ours.

(At this stage the Honourable the President vacated the Chair, which was taken by the Honourable Sir David Devadoss.)

There are two other suggestions, Sir, in this connection that I should like to put forward. They relate to the ownership of what I would call the sources of power. I refer to oil and coal. There are two Oil Companies in this country. Their total capital was only about £2 millions in 1928 when the Tariff Board considered the question of granting protection to the oil industry. I do not know what their capital is at the present time but, whether it be large or small, I think that the production of petroleum, because of its importance from the public point of view, because of its being, if I may say so, one of the basic raw materials required by the country, be brought under Government control. The same argument applies to coal, and in regard to coal I am on even stronger ground than in respect of petroleum. The ownership of coal is vested in

England in the State. It is true that the administration still continues in the hands of the capitalists but His Majesty's Government having accepted, at any rate in part, the principle of the nationalisation of coal, I cannot see how they can object to the acceptance of the same principle in this country. It is true that the nationalisation of coal does not form part of the scheme for the repayment of the sterling debt but if we have money at our disposal, and we have a considerable amount of it, there is no reason why we should not use it in the direction suggested by me. The Coal Committee drew our attention to the disadvantages of the present state of things and suggested certain urgent reforms. I do not know to what extent they have been carried out but it is obvious that the conservation of this most important source of power will be best achieved if it is owned by the State.

Sir, these are the suggestions that I wanted to make with regard to the utilisation of the sterling balances of the Government of India.

I should like to say just one thing more of a financial character before I deal with the important problems thrown up by the war. In November last when the amendment of the Income Tax Bill was under consideration I ventured to draw the attention of Government to the serious injustice which the present law does to joint Hindu families. My remarks annoyed the Finance Member, but I venture to draw the attention of Government again to the hardships under which members of undivided Hindu families still labour. To the extent that income-tax has been enhanced or surcharges of income-tax have been imposed their burdens have become proportionately heavier. It seems to me, Sir, that whatever purely legal and technical arguments may be urged in defence of the existing system no moral defence of it is possible. I therefore press the desirability—I should rather say the necessity—of changing the law in this respect at an early date.

And, now, Sir, I shall deal with the problems which have arisen in consequence of the war. The first point I should like to refer to in this connection is the shortage of wheat in the country. The matter has been discussed here already but the situation has deteriorated to such an extent that it is necessary for us to draw the attention of Government once more to this important question. We have been told that Government are alive to the urgency of the matter and that they will take adequate steps, when the next crop is harvested, to see that the public interests are safeguarded. Now I know that a Wheat Conference was held recently and that another Conference will be held on the 6th and 7th April. But I should like to have some indication of the policy which the Government have in view and the steps that they propose to take to control the wheat stocks in the country so that a situation similar to the one that prevails at present may not arise again. The shortage of wheat, Sir, is causing a great deal of hardship, and the adulteration that is going on in consequence of it is affecting the poor people, relatively speaking, more than the rich people. The rich people too are suffering, but it has been represented to me by persons here who are taking a keen interest in this matter that it is impossible for the poor people to get pure flour of any kind. Besides, Sir, this has caused a great deal of panic. It is necessary for Government, therefore, to take a more active interest in the matter than they have done apparently and to make it clear to the public that they mean to do all in their power to relieve the situation at an early date and to deal with it comprehensively in the near future so as to prevent wheat from being buried under ground for private profit.

The next point, Sir, that I should like to refer to relates to the Indians in Ceylon and the refugees from Burma and Malaya. We know what has

[Pandit Hirday Nath Kunzru.]

happened in the case of Burma and Malaya. We do not want that that story should be repeated in the case of Indians who want to come back from Ceylon. I want to know from Government, therefore, what steps they have taken to facilitate the evacuation of the Indians who want to come back to their motherland. I am aware that this is a matter to which the Indians Overseas Department is devoting attention. But the House as a whole, and the public, whose minds are exercised on this point, would like to know what steps Government have taken so far in this connection, what representations they have made to the Government of Ceylon and what measures have been adopted to provide the shipping facilities that will be necessary to bring over those people who want to return to India.

I shall refer now to Burma and Malaya. It will not be necessary for me to refer at length to Burma. The position of the Indian refugees from Burma was debated the other day in connection with the Adjournment Motion moved by my Honourable friend Mr. Muhammad Husain. Many points were considered then, but there are still some to which I think it is necessary for us to draw the attention of the Government immediately. I understand that at least till recently there were no Indian camps between Monywa and Pallel. Monywa is in Burma and Pallel is in Manipur. I understand that between these two stages there were, till recently at least, no camps provided for Indians. But there were at least three camps provided for British and Anglo-Indian evacuees between Tammu and Pallel. That is within the State of Manipur which could be controlled by the Government of India. I should like to know how such a situation arose and what steps Government have taken to remedy it? It is bad enough that our countrymen should be discriminated against in other countries, but it is absolutely intolerable that they should be treated as pariahs in their own country and that Europeans and Anglo-Indians should be given preference over them. I am sure that no non-Indian member of this House will for a moment approve of such an arrangement or will desire anything but complete elimination of all distinction between the treatment of Indian and non-Indian evacuees.

Another thing which Government should attend to is the provision of information regarding the route I have mentioned to intending evacuees. At present the people who need them have no information whatsoever about them. They do not know whether they will be able to rest with safety at the end of the day: they do not know whether they will get the necessary provisions and so on. They ought to be supplied with the necessary information and arrangements should be made both in Burma and in India to provide for the evacuees the bare facilities that are absolutely necessary in order to enable them to travel under fairly safe conditions.

Then, Sir, at the railway station at Dimapur I think there ought to be a larger staff to deal with the evacuees. I have been told that the staff there is quite insufficient to cope with the railway traffic that passes through Dimapur. If the staff is not enough, Government can easily take steps to strengthen it so that the evacuees may be put to no unnecessary trouble.

Apart from all these things, Sir, I should like the Government of India to have a representative of their own at Tammu and at the various camps in India. I know that the Assam Government can be asked to deal with them under the control of the Central Government. But I think that the Government of India ought to have these camps under their direct control. I have been told that the Assam Government have appointed a few planters and their wives to look after the evacuees. I am further told that they will be paid

about Rs. 25 a day and that their cost of transport will be borne by Government. I should like to know whether this is true? If it is true, it is one more example of the manner in which this country is governed, of the extremely unsympathetic and unimaginative attitude of the officials. It is obvious that the evacuees can be dealt with satisfactorily only by people who know their languages, Telugu, Tamil, and so on. The Assam people will know Bengalee and to a certain extent Hindi, but they can not deal with the other languages. Besides, I do not think that anybody can look after the refugees with the same sympathy as Indian officers can. If, therefore, my information with regard to the appointment of planters and their wives by the Assam Government is true, I ask that this arrangement should be terminated as early as possible and that the Government should appoint Indian officers immediately to look after the welfare of the evacuees. Lastly, I venture to suggest that some official belonging to the Emigration Department, preferably the Secretary, and two non-officials, for instance, members of the Standing Emigration Committee, should be sent by Government to Assam and asked to go over the route between Imphal and Tammu. I know that the conditions under which they will have to travel will not be easy. I do not know how many of them will be prepared to undertake this task, but if non-officials are available I think they should be sent there; so that they may study the situation and make the necessary suggestions to Government. I read in the papers the other day that the Honourable Member for the Overseas Department himself intended to go to Assam. I am entirely in favour of his doing so, but I suppose even if he goes there it will be desirable that Mr. Bozman and two Members of the Legislature, preferably members of the Standing Emigration Committee, should go with him or, if possible, should go there earlier.

Now I should like to say one word about Malaya. The troubles of the Malaya Indians have been placed forcibly before Government by those people who have returned to this country from various parts of Malaya. In a speech delivered at the last meeting of the Federation of Indian Chambers of Commerce the account that was given by one of the evacuees, Mr. Jummabhai, of the plight of the Indians there and the discrimination exercised against them was shocking. We have been told that in Burma the aeroplanes were used in the first instance for the evacuation of British and Anglo-Indian passengers. I hope that my Honourable friend Mr. Bozman will be able to give the House more definite information on this point than he could on the 18th instant. But in Malaya the treatment meted out to Indians was outrageous. The cowardice and callousness of which the British community of Penang have been guilty can hardly be paralleled by anything in the history of England's relations with India. So far as I know, no Asiatics were given any facilities for evacuation; even Asiatic ladies were not allowed to be evacuated. In Singapore I understand that the first and second class passages were provided more readily for British and Anglo-Indian passengers than for Indian passengers. Apart from this I understand from Mr. Jummabhai's speech that while non-Indians and non-Ceylonese were provided with free passages and good ships, Indians had to pay for their passages and were, at least in one or two cases, provided with ships which were not thoroughly seaworthy. I do not know whether any representation on these points has been made to His Majesty's Government. My Honourable friend Mr. Bozman said in another place that some representation had been made with regard to the non-evacuation of Indians from Penang, but I gather, notwithstanding what the Governor of Malaya said in his speech, that the British evacuees from Penang were entertained at Government House after their arrival at Singapore. I will add to this only two points. I understand that Indians

[Pandit Hirday Nath Kunzru.]

returning from Malaya were not allowed to land at Colombo and come to India through Ceylon. I should like to know what steps the Government of India took when they came to know of the refusal of the Ceylon Government to let the Indians land. They would not have stayed there long in any case. However short the stocks of rice and other cereals may have been in Ceylon it would not have made much difference had the Indians arriving there been treated in a more humane way. Lastly, Sir, I should like to draw the attention of the House to the fact that when the ship containing Indian evacuees arrived in Batavia and some people wanted to go to the shipping office they were not allowed to do so; they were asked to wait for the British Consul. The British Consul was written to but neither he nor his assistant turned up. Have the Government of India taken cognisance of this matter and brought it to the notice of His Majesty's Government?

Sir, the facts that I have mentioned show more forcibly than anything that we can say the humiliating position that we occupy in the Empire. Owing to the attitude adopted by His Majesty's Government towards India, Indians are treated as helots throughout the world. It is time that this policy were changed and that the British Government took steps to see that in their own Empire at least the Indians received that treatment and were accorded that status which is their due as common citizens of the British Commonwealth.

Sir, I shall now pass on—

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss): Will the Honourable Member be much longer?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I shall take about 15 minutes more.

THE HONOURABLE THE CHAIRMAN: Then I think it will be better to adjourn. The Honourable the Leader of the House.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: Sir, after consulting His Excellency the Commander-in-Chief and the Leaders of Parties in this House I am now in a position to ask you, Sir, to fix Thursday, the 26th March, for a secret session of the House to discuss the war situation.

THE HONOURABLE THE CHAIRMAN: I appoint the 26th of March for a secret session of the House.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Honourable the Chairman (Sir David Devadoss) in the Chair.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Mr. Chairman, I was dealing with the position of Indian evacuees from Burma and Ceylon when the House adjourned. There is one very important point relating to them which I have still to deal with. It relates to the financial plight in which these people and those who depended on the incomes they drew from Burma and Malaya find themselves. Many of them have either lost all the property that they owned in these countries or have lost the income on which they depended. They are naturally turning to the Government to help them at this juncture. They ask that they should be exempted from income-tax in respect of that portion of their income which they received from these countries.

Moreover they are not asking for permanent exemption. They are for the present asking only for the suspension of the income-tax. I think this relief is in equity due to them. This point was raised in the other House by my friend Sir Annamalai Chettiyar. He dealt with it forcibly and eloquently and I think that the view he expressed, which is the view placed before Government directly by the sufferers, is one that deserves our support. Again, Sir, many of these people had invested money in war bonds, in the savings banks, in co-operative credit societies and so on. What will be the position of such people? Will their claims be recognised by the British Government? They can legitimately ask that the British Government should in these matters honour their obligations, for after all the affairs of Burma are completely under their control. I do not know what the position at the present time is, whether the men who can give proof of having invested money in any of the ways mentioned by me can on the security of the papers that they have been allowed any advance by the Government of India. I do not know whether my Honourable friend the Finance Secretary or Mr. Bozman will be able to give me any reply on this point. But if they are unable to answer it today, it is certainly a point which deserves serious examination at their hands. Lastly, Sir, the question of compensation to people who have lost their property, particularly because of the action of the authorities, should be sympathetically considered. This was referred to the other day in the House and Mr. Bozman said that it would have to be considered by the legal advisers of Government. I hope that the matter will be looked into without unnecessary delay. These people who are in great distress deserve speedy and adequate relief.

And now, Sir, I shall pass on to the question of our security and the constitutional problem. As a secret session of this House will be held very soon and as some of the questions relating to the position of Indians in the Defence Department have been dealt with by my Honourable friend Mr. Kalikar, it will not be necessary for me to detain the House long in dealing with this matter. I endorse what my Honourable friend Mr. Kalikar said with regard to the position of Indians in the Defence forces, particularly in regard to the paucity of emergency commissioned officers. We are told that a sufficient number of qualified Indian young men cannot be found, but the real reason for the small number of Indian officers, it seems to me, lies in the unwillingness of the authorities to appoint Indians as officers in the earlier stages. When the war broke out for months they tried to depend entirely on men belonging to their own community. It was the British community in India that was tapped first. The Anglo-Indians were looked to for the supply of officers next, and Indians came last of all. And when they have been obtained they are being very unfairly treated. General Hartley looks at me with some surprise. Well, I have received so many complaints in regard to the treatment of Indian officers that it would be impossible for me to deal with them in detail today, but I can assure the authorities that I am not bringing a charge which cannot be substantiated. I am compelled to bring this point to the notice of the Government because not one or two but a pretty large number of Indian officers have spoken to me on the subject. There are instances, Sir, in which senior Indian officers have been put in positions subordinate to those who are junior to them. I have been supplied with names to convince me that this complaint is perfectly genuine, but it is obviously impossible for me to place these names before the authorities. I doubt, Sir, whether if they are disposed to inquire into the matter this charge will be denied.

Sir, the entire attitude and policy of the Government with regard to our defence is open to the most serious criticism. I am not dealing, Sir, with the

[Pandit Hirday Nath Kunzru.]

distant past now. I am concerned with the situation as it has developed during the last two and a half years. It was obviously necessary that the arrangements for our defence should be nationalised, but every request of ours to achieve this purpose has been unhesitatingly turned down. No Citizen Army has been created, nor do we still see any sign of readiness on the part of the Government to bring such a force into existence. Again the proposal for the establishment of a Home Guard in this country, which would have strengthened the morale of the civil population and enabled them to know what was meant by self-defence was opposed by the authorities, and all this has been done on the ground that we have not got a sufficient number of rifles in this country. Can anything amount to a stronger condemnation of the policy followed by the authorities than the paucity of rifles on account of which, as General Hartley admitted in this House the other day, even all the soldiers who were being drilled could not be armed. Even in spite of this situation, this deplorable situation which reflects serious discredit on the Government, I venture to think that my proposal for the establishment of a Home Guard deserved better treatment at the hands of Government. I am glad, Sir, on this point to have received the support of a British newspaper in Madras. Writing on the debate that took place in this House it said:—

"It should have been endorsed notwithstanding the Commander-in-Chief's assertion that the current shortage of men and instructors prevented any diversion of qualified men from the task of training the new army to that of forming the Home Guard. When the Home Guard was formed in Great Britain, it provided its own instructors and largely armed itself. Its instructors were old soldiers, of whom there is no lack in India. Its weapons were pitchforks, sharp-edged spades, old swords, shot-guns, pistols and revolvers of varying ages, knuckle dusters and sandbags, anything calculated to stop the enemy if caught unawares. For a year or more this strangely armed force kept watch and ward in the United Kingdom while the forces and the workshops strove mightily to re-equip the Army with modern weapons".

Sir, what was done in England should have been possible here. If it has not been done it is due not to its impossibility but to the unwillingness of the Government to trust the people even at this juncture and make them responsible for their defence to the maximum extent possible.

And, now, Sir, we find that discrimination against us has been introduced or increased even in the lower ranks. We know, Sir, that a number of women clerks have been appointed in the Defence Department. Their total number is 434. Of these 297 are Europeans, 123 Anglo-Indians and only 14 Indians and as if this was not enough the Women's Auxiliary Corps has now been started. We are told that there is a serious shortage of clerks in the Army and that women can do certain kinds of work better than men. I have no doubt that there is a shortage of clerks in the Army but the shortage is due to the fact that the Army insist on the acceptance of a liability for general service by the clerks. If the women who are going to be appointed had accepted this general liability Government would have been perfectly correct in saying that they were compelled by the shortage of clerks to employ women clerks, but all kinds of facilities are to be given to them and the members of the Women's Auxiliary Corps. This being so, Sir, I cannot understand why women should have been employed when large numbers of unemployed men are available in India. Sir, the reason seems to me to be contained in the announcement made by the Associated Press with regard to the establishment of this Corps. "Women are intended", it said, "to replace for active service young men who at present are engaged in office work which women can do". Obviously, it seems to me on reading this, that the women are required to replace Britishers employed on desk duties in the General Headquarters or in other branches of the

Army and perhaps the authorities desire that these Britishers should be replaced by British women. If women are particularly fit for any kind of work, I have no objection to their being entrusted with it. But it is impossible to believe that they can make better typists or stenographers than men. The reasons, therefore, that have been given for the establishment of the Women's Auxiliary Corps do not seem to be such as can stand a close scrutiny. Sir, racial discrimination has so permeated the Army and the other Defence services that it seems impossible to persuade the authorities even now to take a more statesmanlike view of their own interests. I think that the drawbacks to which I have drawn the attention of the House, and the distrust which prevails between Government and the people will come to an end only with the establishment of a National Government in this country. So long as the present authorities continue to enjoy power in this country, Indians will suffer from serious disabilities, and the best interests of their country will be subordinated to the interests of Britishers.

Sir, this brings me to the constitutional problem. The British Government is not unaware of the strong feeling that exists in this country on the subject of constitutional advance, but they have taken as yet no steps to assure the people that they are willing to part with power. They have so far asked us, whenever we have demanded transfer of authority to Indian hands, to read the declaration made by the Viceroy on August 8th, 1941. That declaration was, in my opinion, open to serious objection on two grounds. I am entirely in favour of the protection of the rights of the minorities, but I am not prepared to accept the view that the final decision of the question of constitutional advance should rest in the hands of the minorities. They cannot in fairness be allowed to become the arbiters of our fate. Let me repeat that no fair-minded man in this country would be against the provision of measures which would enable the minorities to feel that they can play an honourable part in the future of this country. But it is wrong on principle that the fate of the whole country should be allowed to depend only on one section of its population. The second ground on which this declaration was open to objection was that it showed that the British Government did not recognise their own responsibility in this connection. They thought that they could stand aside and watch the differences between Indians themselves which perhaps they believed tended to make their rule more secure. But they find now that the old policy of "divide and rule" may spell ruin to their interests and may be as dangerous to them as it is dangerous to this country. I am glad to find that His Majesty's Government have apparently altered their opinion in regard to their own responsibility for the settlement of the constitutional problem in this country. The international situation has compelled them to re-examine the matter, to search their own hearts and to propose a solution which may enable the democracies to receive the help that they need to achieve victory and to make the world safe for justice and freedom. Sir Stafford Cripps has come to this country on behalf of the British Cabinet to assure us that His Majesty's Government are prepared to place trust in Indians and to make them feel that the sacrifices that they are making will be to the advantage not merely of other countries but also of their own. I do not know, Sir, what proposals he has brought with him on behalf of the Cabinet. But the despatch of a man of his position and views makes one feel that the time may be near when the differences which have unhappily divided those who are fighting on the same side may soon be healed.

The Prime Minister in the announcement which he made on the subject in the House of Commons said that the solution which the Cabinet had arrived at was just and final. We shall hold our opinion in suspense till we know what

[Pandit Hirday Nath Kunzru.]

it is. Meanwhile we desire to express our goodwill towards Sir Stafford Cripps who is His Britannic Majesty's ambassador in this country. We have so far as a protest against the policy of the Government voted every year against the Finance Bill, but as it appears that His Majesty's Government are now prepared to revise their opinion, we too are prepared to adopt a new attitude. Not knowing what their proposals are we cannot go so far as to support the Bill, but to show our goodwill towards Sir Stafford Cripps my Party has decided to maintain a neutral attitude. Sir, self-government at the present time is not a privilege. It is a serious responsibility. This responsibility, this grave and onerous responsibility, can be undertaken only if the British Government part with power without further loss of valuable time. The enemy is thundering at our gates. Our responsibility in regard to China and ourselves and the Middle East is heavy. It will not be easy to fulfil it in any case, but if there is to be any chance of its fulfilment statesmanlike action must be taken immediately, so that the people of the country may in the short time that remains to them throw themselves with all their energy into the task of saving their country and the democratic countries associated with it. Sir, on these grounds I shall refrain from voting against the Bill and as I have said my Party will adopt the same attitude.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, year after year in this House the Finance Bill comes and we have to vote the money which the Government spends on the administration. This year as in the last year we are asked to vote a considerable sum of money on account of war expenses. I can assure the House and the Government that we are ready for a purpose like that to vote. We are also ready for collecting more money, not only for the purpose of defence but also for the purpose of offence. It is our duty. But please consider one thing. Do all that is in your power to make us realise that this war is our own war. How can you do that? You can only do that by establishing confidence in the mind of the public, by treating India justly in proportion to the share that she is taking in the war. This is no time for bargaining and haggling on the matter of constitutional reforms. It is the time for a clear cut policy, for saying "Yes" or "No" to Indian aspirations. As my Honourable friend just now pointed out, His Majesty's Government seems to be today in a mood to do justice to India, and for that reason they have sent their representative with the full confidence of the Government to discuss the situation here. We do not know what those just conclusions are to which His Majesty's Government has come, but I hope that they are such as will be acceptable to the country. His Majesty's Government knew the desire of the country very well indeed, and if now, when there is no time left for mere promises or delay, they have sent a clear cut scheme, let us hope that it will be acceptable to Indians in general. My Honourable friend in this connection referred to the question of minorities. Let me say that, while the duty is cast on the British people to part at this juncture with their power, the duty is equally cast on Indians to come to a just settlement between themselves. If we fail in that duty and if we behave with each other like *banias* and start haggling over the pennies and the pounds, a settlement will never be reached. The minorities' question in other countries is different to what it is in this country. In most countries minorities are not communal or religious minorities. They are usually racial. But here the question is more acute because unfortunately the minority question is nothing but communal or religious. If you put your finger on the religious pulse of an Asiatic you will find that it beats very strongly. It is said that a minority,

may be a substantial minority, has no right to put obstacles in the way of the whole of India. I would say, "Yes, but the whole of India includes that huge big minority." India is a most wonderful place so far as the people are concerned. It is not a country, it is a continent, where, if a person living in one province goes to another province, he finds that he is a stranger as a German or as an Englishman in that place.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : No.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : I say Yes. My Honourable friend can have that opinion, but I will certainly say Yes. If one goes from the North to the South, one will find that the very construction of the human body, the colour, the language, the structure, culture and everything is so entirely different that it is not possible for you to find similarity. Go to Bengal and see the structure of a Bengali and go to the Punjab and see the structure there. Not only that, but see how he feels in his mind and thinks in his brain. He feels entirely differently to people living in another province. If that is doubted, I do not know what can be admitted. It is for this reason that in India the words "Muslim" and "non-Muslim" have been used to denote one interest on one side and many interests on the other. The word "Hindu" is so loosely used that it applies almost to every non-Muslim living in India and thus the question of the Muslims as a minority has become prominent. As a matter of fact, Hinduism includes so many people of so many convictions and faith that it is not possible to reconcile them. Go for instance to Central India, Hyderabad or Malabar and you will find that some of these people are not allowed to come in a room where food is taken by men of their own religion. You will find that there is nothing in common. In the Census the word "Hindu" includes Untouchables, Aboriginees and so on and that has put the Muslims in the minority. Otherwise the Muslim would have had a claim if not to be a majority at least to be equal to any community in this country. But that is neither here nor there.

THE HONOURABLE MR. P. N. SAPRU : I am sure that Mr. Jinnah will claim domination over this country one day.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : You will admit that he has not done so far. What he wants he has said. It is this, "Let us live and let live. We want honourable settlement of the safeguards for our existence". But you want the domination of everybody in this country. You had your time and you have proved it and you repent on it. Never mind. Let both sides be prepared for sacrifices and it is only then that the question of Indian reforms and constitution can be settled. Whether it is Mr. Jinnah or anybody else, let every one give up the idea entirely of trying to dominate any minority living in this country; it is only then that some settlement can be reached. I hope the British Government, who are blamed for "divide and rule" policy will approach this question properly and justly and let us feel that this is our war.

The other thing that I want to mention is that Honourable Members know that for the last 23 or 24 years there have been many public agitations in India against the Government—from non-co-operation, Khilafat movement, right up to today. What does a man in the street think about the British Government? Let me frankly tell you—and I hope you realise—that he has no good word to say about the British rule. It may be right or wrong. I am not discussing the merits of it, but it is a fact that propaganda and agitation is going

[Haji Syed Muhammad Husain.]

on in the country against the British rule among the masses and that is responsible for creating this feeling and it is there. Therefore, it is no good denying or ignoring the fact. Let us face the fact that today there exists among the masses a hatred for the Britishers. If they cannot remove it altogether—and it cannot be done in a moment's time—they should not enhance it at the present juncture when so much goodwill of the people of India is necessary for the successful prosecution of the war; no act should be done which would increase that hatred. We have had discussions on the floor of this House about racial discrimination. Those discussions and the facts which led to those discussions did not directly concern the man in the street. The attitude of the British soldiers towards the public is one of the things which have to be taken notice of. I admit that individual cases do occur; they have occurred in other countries, they may occur here. Sometimes, Sir, a foolish person does a thing and gives a bad name to his whole class. The present mood of the people of this country is such that more attention should be paid to this matter. There should be no estrangement or hatred between the civil and the military. No doubt the military is there, particularly at the present juncture, to fight for us, to protect us and to defend us but we can not ignore those cases in which we get something from those very people which makes us hate them. I think about three days ago the papers published the incident that took place in Bareilly of the soldiers coming there in the bazaar and having got drunk there doing all sorts of mischief. They were arrested by the police; some were detained and some were sent away. Instances and reports from Bombay and Poona are also not wanting. Therefore it appears that from one end to the other end of India in some places we find that these things have occurred. What I say is this: these things should not be condoned but serious steps should be taken to stop the repetition of such incidents which increase hatred in the mind of the people.

Now let me say that I do not confine myself to the British soldiers alone. I know and I have had reports of Indian soldiers also, although not as many as those about British soldiers, but I have had reports and some of them I believe to be true in which case the Indian soldiers also did not behave properly with the people.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadian) : Will you cite an example ?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : I hope you will meet with one of these incidents yourself and experience it personally. However, I will give you one, which I myself saw in the Meerut Nauchandi Fair. Anybody who has seen that Fair will know that it is a very crowded place. There an Indian soldier wanted to purchase something. He pulled out a gentleman who was already purchasing some articles from inside the shop and on his protest he pulled his turban away and as a matter of fact he took that turban away ! I hope my Honourable friend will not meet an experience like that. However, I am not defending Indian soldiers. There are instances of their misbehaviour at times but what I say is this. Those instances are not as many as we hear of the British soldiers and to be fair I say that an Indian might be tolerated but considering the feeling that exists today in the masses they do not wish to tolerate any Britisher in the same way. If racial discrimination exists on one side you must expect on the other side also something of that kind.

Now, Sir, besides that there is another thing which I am obliged to say. A good deal of money is required for war purposes. There are two aspects of the war : one the military operations outside India for the purposes of defending India, and the other inside India. So far as the first is concerned I am afraid one has to repeat over and over again that there should be a limit to the unpreparedness of the military on our side. Undoubtedly Germany has been preparing itself within the knowledge of almost all the world for many years before but the war has lasted a long time. For that kind of preparation on our side also it would take some time. Now in the East I refer to Japan not as big a power as Germany. We know that Japan entered the Axis Pact a long time ago; everybody suspected Japan to come into the war or be at least troublesome some time or other. Now we find that Japan wherever she attacked she had simply to go and walk in—I am speaking comparatively considering the magnitude of the war like this. What we see is that there is such a kind of unpreparedness not in one direction but almost in every direction of military importance that one feels that even after such a long time of our entering into the war our condition is so hopeless that it is not possible for us to stand and sacrifice our lives because the unpreparedness is of a kind which would make it impossible for us to resist the enemy. Well, so far as that is concerned let us hope that all will be done as quickly and as vigorously as possible in the nearest future. But today the war has reached such a stage that as an Indian and on behalf of Indians I would say that let from today no war material or necessary equipment which are required for purposes of the war should go out of India, except those which are surplus and will not be required for India itself, because if that is not done, in view of the unpreparedness which we have been seeing everywhere what is India going to do ? You do not desire that all component parts of the Empire should remain in such a state of unpreparedness that if the enemy wants to walk into any one of them if he desires. In case he comes to India by air, sea or land he will simply walk in and if today he lands in Calcutta in about ten days he will enjoy cinema in Allahabad and in about 30 days time in Delhi. It appears from reports from Burma that no opposition is being offered. I do not say that it should be done when it is not possible to offer opposition. We hear of the withdrawal of the Army step by step and in fact some of the reports go to say that the withdrawal has been very quick and to long distances. Whether military necessities may have required it or not we do not understand these strategies but the effect of the news is that it appears to us that he has only to say that he was coming there and he is welcomed.

The other thing is the lesson that we got from there. I hope we will take it as a lesson. Unless the civil population also co-

4 P.M.

operates and is ready to sacrifice every thing with the military, the latter alone will not be able to do anything. If at any place we find that the enemy is given facilities or at least that our army is not given any facility by the people but are put to trouble, naturally the difficulties of our army will increase to a very large extent. Therefore, it is very necessary that the Indians also should get into that mood of thinking, "This is our war, our men are not being sacrificed only for the British people, for that little island which is about a third of Bengal, but it is our own country which we are defending and we should be helpful in every respect". That can be achieved by establishing confidence in the minds of the Indians and making them believe that today they are not the slaves of India but they are the owners of India and friends of the British. Friendship is a much better relationship than the relationship of master and servant. A slave may be reluctant to help but a friend

[Haji Syed Muhammad Husain.]

will not be so. Therefore, let us get that relationship established and let us be determined to end the relationship of master and servant.

That is about the operations of the military. There is also civil defence. Today, in India, there is a good deal of internal bitterness. The Indians not only mistrust the British but there is a good deal of mistrust among the Indians themselves. Not merely mistrust, but bitterness of a virulent type in the daily life. Therefore, the question of civil defence becomes much more important in a place where there are so many factors which might result in increased breaches of the peace. Therefore, we must direct our attention on one side to the war efforts and on the other side to civil defence. Unfortunately, owing to several circumstances, the people are suspicious of officials, and instructions that are issued by Government officials are looked upon by the population as having something behind its back. It is unfortunate, but it is there. Therefore I would ask the authorities responsible for civil defence to set up an organisation in which such non-officials whom the public recognise, to whom the public has listened in the past, have a prominent part. Through them it will be much easier to establish confidence among the masses. Then again, I want to clearly impress upon the Government that at the present juncture, in order to avoid internal trouble, they should not allow any private, separate communal organisation, whether it be the League, the Hindu Sabha or the Congress, to be put up for this purpose. My apprehension is that the first thing they will do will be to break each other's heads, instead of defending their community or their *mohallas*. It must be a joint organisation. There is no difference between the Hindus and Mussalmans on this point, or between the Congress and the Muslim League. They both want such an organisation. Why not have joint organisations? Separate communal organisations must be stopped as one of the essentials for keeping the peace. It is not merely an advice which might or might not be accepted but it is an absolute necessity. If internal disturbances are to be avoided, separate organisations, not merely in name but in fact, should be stopped. It may be called Congress today or it may be that a similar organisation is started by the Muslims tomorrow. The name may not be communal but there may be Muslims in it, such as the organisation of Alama Mashrui the leader of the Khaksar movement. The name was not Muslim but to all intents and purposes the members of that movement were mostly Mussalmans. (An Honourable Member: "Entirely Mussalmans.") That is entirely wrong. I have met Sikh members and I have also met Hindu members. They may be one in a thousand and therefore I say the organisation was predominantly and prominently Muslim. I am speaking on the floor of the House on a subject which is very vital for Indian defence and on which my Honourable friend Dr. Kunzru has spoken before in connection with Home Guards and said that the Indian population should be armed. My opinion is that at the present juncture, they should be disarmed, otherwise trouble will occur, and the military and the police and every institution responsible for the protection of life and property will have the same difficulty of facing communal riots.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: May I correct the Honourable Member? I did not say that arms should be distributed to the civil population. All that I said was that arms should be given to the Home Guard, which would be under the control of the Defence authorities. That is very different from indiscriminate distribution of arms.

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: I stand corrected and I am very glad that you meant that. If that is so I have no grudge.

But I again point out that the Government ought to see that licenses are not issued to people who are not responsible. I have in my own experience known of cases of guns belonging to license holders having been lent by them to bad characters and, subsequently identified in the court. So it is necessary that irresponsible people should not be given arms of any kind.

The other thing I want to impress is the control of food. Food affects the masses very much and any general alarm in a big country like India would be terrible. It may easily stop the very machinery of administration from functioning. I hope that lessons have been learnt already from incidents which have occurred. For instance, there is a panic by the bombing of Calcutta and people begin to run away; just imagine the possible conditions. All the tramway conductors in Calcutta may join the masses who are running away, so the trams come to a standstill. The same thing may happen in the case of the railways. Therefore to avoid panic it is very necessary to do things through non-official agencies. Take a very ordinary instance. The papers said there would be a blackout exercise on such and such a date. But how many people read the English papers. In the evening people saw the streets were dark and a lot of them not knowing what was happening started leaving their houses and running away to the houses of their friends in the city. The population is unfortunately so ignorant and so disinterested in the war that it is not possible for them to know what is expected of them. Therefore I say all these things should be done through the medium of prominent non-officials. Take A.R.P. It is true it is not a purely official organisation, it is more or less non-official, but I am only giving an instance for the guidance of those responsible. At some places there was such reckless enrolment for the A.R.P. service that people have been taken in without any inquiry as to their character and in some *mohallas* most of the *badmashes* and *goondas* got in. I talked to people there who said that these A.R.P. persons to whom they were supposed to look for help and protection would be the first persons to take advantage of the confusion arising out of an air-raid. One of them had just come out of jail after doing a sentence of four years. I know there are many difficulties, but I am pointing out that that is a factor which should be borne in mind. Once things begin to happen it will be too late. And I really think that a panic which causes a stampede, or what one might call in our language a *bhagadar* will stop the administrative machinery from functioning. It is very necessary to guard against that.

Now as I have said, food affects everybody. I think it was yesterday or this morning that there was an account of a goods train being stopped and looted on the G. I. P. R. near Gwalior by dacoits. Probably some in that gang were criminals, but there must have been many who were not, and they were just wanting food. If grain riots were to take place in many cities and towns I do not know how the administration could function. The civil authorities will not have enough men to arrest the numbers involved. Now there is one serious point about the grain position. Wheat is controlled and its price fixed. As a result of that the other grains, which are mostly consumed by the poor, have gone up in price very nearly to the level of wheat because they are not controlled. These are essential things to which we must direct our attention.

Now, Sir, there is one thing which I am afraid I cannot allow to go unnoticed, and that is in connection with the Radio. My Honourable friend Mr. Mahtha, who is not here now, complained about the broadcasts in Urdu. I would appeal to him at the present juncture, when we have more than sufficient communal bitterness, if possible to avoid adding to it. I really do not understand his complaint. I have heard broadcasts in Pushtu and in Marathi,

[Haji Syed Muhammad Husain.]

Tamil and Gujarati amongst other languages. I have heard also of Hindi, but as a script and not as a language. I do not know of any province in India which talks Hindi. There may be a Hindi script but the language is Urdu. I have recently heard it called Hindustani, but I have not heard of Hindi being the language of any province or any part of the country. I would very much like to know if there is any place where Hindi is talked as a language. But if he means by Hindi Urdu which has big and ununderstandable Sanskrit words, it is much better to call it Urdu or Hindustani than Hindi. We see in the Programme "Talk in Hindi." What does that mean? I was going to propose that that must be absolutely stopped. I can understand if it is a talk in Marathi or in Punjabi. What is this Hindi? Nobody knows that language. In fact I was going to complain that some words in the Urdu broadcast are not easy to understand for a person who does not know Sanskrit. Almost weekly from Delhi along with the news in Hindustani there is a news survey and there are two gentlemen who speak in Urdu just after the news. One gentleman speaks Urdu which even a Hindu can easily understand but the other gentleman speaks which is at least half full of words which I do not understand. That should be simplified. There is no question of Hindi talk at all. It is no language which is spoken any where apart from Hindustani. If my friend advocates that being an All-India Radio there should be broadcasts in Marathi, in Telugu, etc., I can understand. But the broadcast from here is in a language which is wrongly called Hindi because as I said, I am unable to know the place where it is spoken. One should not introduce words which the people are not used to. In the United Provinces an attempt was made to call a "mudae" (plaintiff) as "jhagralu". I am quite sure if a chaprassi was to shout from the door of the Court such and such jhagralu is present, the man concerned would protest strongly against it as "jhagralu" means quarrelsome. I would request the Government to broadcast in a language which the people can understand very well.

THE HONOURABLE MR. P. N. SAPRU: Why not in simple language?

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN: My friend objects to Urdu, but Urdu is a simple language, although you can make it a difficult one by introducing Sanskrit or Arabic in it. As a matter of fact it is wrong to say that Urdu is the language of Muslims. It never existed anywhere else. The meaning of "Urdu" is "cosmopolitan". Urdu language came into existence in India as a means of medium between the Hindus and Muhammadans. Many words in this are actually Hindi. My friend should not get jumpy if I say it is Urdu. It is certainly Urdu. It is wrong to say it is Hindi, because this language is not spoken in any part of Hindustan and therefore it must in justice be called Urdu, because Urdu is spoken in the United Provinces, Bihar and places near Delhi.

I must once again impress on the Government that they must do all that is necessary to establish confidence in the minds of the people for their own benefit and that of the country.

The Council then adjourned till Eleven of the Clock on Tuesday, the 24th March, 1942.

COUNCIL OF STATE

Tuesday, 24th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN:

Sir Gurunath Venkatesh Bewoor (Nominated Official).

INDIAN FINANCE BILL—contd.

THE HONOURABLE RAI BAHADUR SATYENDRA KUMAR DAS (Nominated Non-Official): Sir, the financial proposals of the Government of India have to be considered against the background of the war which has all but reached the shores of India. I come from Eastern Bengal, a part of the country which is likely to bear the full brunt of hostilities once war bursts upon India. The countryside in Eastern Bengal is intersected by numerous navigable streams which might afford special facilities for infiltration by the Japanese, and we should like to be assured by the Government that adequate steps are being taken for the purpose of protecting this vulnerable area against enemy action. The continuous successes which the Japanese have achieved in the Far East as well as in Burma, have considerably shaken the confidence of the people in the strength of the British arms. Indeed, the prestige of the British Government in India never stood lower than at present, ever since the Mutiny of 1857. The people at large read the signs and portents of the times and are in a state of extreme nervousness as regards the safety of their hearths and homes. It is widely believed that the military preparations of our Government are inadequate for the purpose of meeting the menace of Japanese invasion. An emasculated people who had been taught to rely on a foreign Government for their protection, now find themselves in a position of utter helplessness. Apart from the weakness of the Government in the field of battle, the moral foundations of the Government in India have been rudely shaken by reason of the short-sighted policy followed so long in promoting disharmony among the different communities and sections of the people. Belonging as I do to Dacca, I cannot refrain from recalling the most painful episodes that happened not long ago in that city when the local officials connived at organised arson, loot and murderous assaults as a part of the policy of divide and rule. In broad daylight and right in front of the Police Office in the town of Dacca, fire was set to a row of shops while the district authorities looked on in a spirit of unconcern and went on smoking a cigarette. Business houses in another locality were gutted under the very nose of the police authorities who did not take any notice of the incident, though the fire continued for a considerable time and large stocks of articles were looted with impunity. It is strongly believed that these and other incidents that happened in Dacca Town and some parts of the interior of the Dacca district, formed part of a

[Rai Bahadur Satyendra Kumar Das.]

regular plan to promote communal bitterness and to strike terror into the hearts of the Hindus. Officials guilty of such enormities cannot now expect to inspire any respect or confidence of the people, and it is idle to expect that they will be able to rally the different sections for the purpose of organising measures of civil defence. Straightforwardness and righteousness have long been superseded by political intrigue and communal jobbery, with the result that few persons believe in the sincerity of purpose of the Government. It is no wonder, therefore, that the appeals that are being made to the people to co-operate with the officials in devising measures of defence are not producing the expected result, and unless there is a radical reform in the constitution of the Government of India, no appreciable change in the situation can be expected. It is not a day too early for the mission of Sir Stafford Cripps to whom the whole country would accord a cordial welcome. Unless, however, the proposals that he has brought with him can inspire the enthusiastic support of the people, and unless the representatives of the people are clothed with the fullest authority in the governance of the country even at this late hour, the ultimate issue of the war may, I am afraid, be in doubt. It must not be forgotten that the fortunes of war depend not merely upon the strength of the fighting forces but also upon the moral support which they can obtain from the civil population. I should desire to make an earnest appeal to Government not to be blinded by political prejudices and considerations of prestige at this critical juncture but to make honourable amends for their past mistakes and gracefully yield power to the chosen representatives of the people. Let not history record the verdict that officialdom in India was responsible for wrecking the British Empire by the pursuit of short-sighted and selfish methods.

I shall now say a few words regarding Income-tax, the surcharge on which is proposed to be enhanced on a graduated scale under the present Bill. In my opinion, the enhancements in the upper scales will operate as a great hardship on the people concerned, but some of the hardships now experienced may be mitigated by an overhaul of the taxing machinery as well as the Income-tax Tribunal. Bitter complaints have lately been voiced about the hardship and prejudice that result from the action of the assessing authorities. I can definitely make the statement that the Income-tax Department, speaking generally, does not enjoy the confidence of the assesseees. There is a general belief that the individual assessing authorities are actuated more by financial considerations than by any canons of law or equity. Even the Income-tax Tribunal which was intended to be an impartial semi-judicial body in dealing with the complaints of the assesseees, is not allowed freedom of action, but is considerably influenced by the administrative authorities. I personally had discussions with some retired officers of the Income-tax Department who have stated to me that they have no independence of action and that they cannot discharge the functions according to their conscience due to interference from the higher authorities. I would earnestly ask the Government to consider the desirability of transferring the control of the Income-tax Tribunal to the Law Department of the Government of India in order to inspire the confidence of the assesseees in its impartiality. Furthermore, I would implore the Central Board of Revenue not to allow its officers to be actuated merely by considerations of finance, but to administer the Income-tax law in a spirit of strict impartiality regardless of financial considerations.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern Non-Muhammadan): Mr. President, the Finance Bill which has come to us

with considerable modifications in the other place reflects the international situation and perhaps you will permit me before I develop my arguments on the Finance Bill to take a rapid review of the international situation. We on this side have been criticising the Government for many facts of commission and omission. The policies that they pursue are often in open and direct conflict with those which we advocate. The view point of some of its members at all events on political, social, economic and administrative questions is not the same as ours. The estimate that we have of the achievements of the Government of British Imperialism and all that it has meant for this country is not the same as that of the official benches. But, even so, in the critical times through which we are passing, there is a bond that unites us, and that is a deep-seated and profound hatred of the ideologies of Nazi Germany, Fascist Italy and Imperial Japan. The common tie that links us together, despite our divergences of outlook, our estimates of Imperialistic achievement, our ideologies, is a vivid realisation that, from our respective points of view, will be the lot of mankind and not this country alone should the Axis powers win this war. The issue today is no longer between two rival imperialisms, but it is also an issue now between two competing ideologies. One of the imperialisms, in spite of shortcomings, is in retreat and as I visualise the situation, there is little possibility of democratic imperialism developing into some kind of authoritarian fascism. There is, therefore, so far as the progressive powers are concerned, the possibility of growth. There is possibility for men and nations to develop their stature as they say they stand for a well ordered international system based on the principles of justice and co-operation. In the Axis system there is little possibility of growth. The order that they visualise is to be based on racialism, domination and force. The progressive forces of the world find themselves ranged against reactionary forces and much that modern man has built up in the course of centuries and hopes to build up is at stake. Political, social and economic democracy finds itself threatened with a danger such as it had never faced before and the outcome of the present struggle will affect not only the classes that have enjoyed the good things of life but also what is from my point of view vastly more important, the fate of the common man, the tiller of the soil, the worker in the factory, the petty trader, who earns his living by the sweat of his brow and the clerk with pretensions to middle class respectability but with no adequate means of support. For the disappearance from the world of liberal ideas which despite powerful reactionary tendencies inherent in the present structure of our society have acted, on the whole, as a humanising factor in the evolution of man towards an inspired life will be the worst disaster that will befall the world if the Axis should win. The entry of the Soviet Union and China have given greater reality to the democratic *cum* anti-fascist front and it is impossible for thinking men to stand aside in this terrible conflict which arose as a conflict between imperial races, the East and the West, between two rival imperialisms but is fast developing into a struggle for the survival and indeed the strengthening of liberal and humanitarian ideas in their broadest and most comprehensive sense. Holding these views it is inevitable that our sympathies should be definitely on the side of the democracies. Japan's appearance as one of the belligerents threatens our national security and that of our good neighbour, China, and Indian nationalism, which has an ethical attitude towards life, has fortunately not allowed itself to be misled by the propaganda by Japan. They have no use for the co-prosperity Asiatic sphere which Japan holds to build up. There was a time when Japan because of her rapid industrialisation and militarization, was the envy of the Asiatic world. It was in 1867 that she entered upon

[Mr. P. N. Sapru.]

the career which has converted her into an aggressive State. But her designs are now not a matter of speculation. They are open to all. Her record in Korea, in Manchuria, in China, has been such as to lead every Indian to think and feel that she is not capable of supplying Asia with the ethical leadership which her Premier, General Tojo, says she wishes to supply her with. I do not, therefore, hesitate to say that I find myself an absolute and uncompromising opponent of Japanese aims, Japanese ambitions, Japanese imperialism and Japanese ways of achieving those aims. There has never been, so far as we are concerned, any unwillingness to shoulder the responsibilities, given those responsibilities, of our defence, and to help to the utmost extent a democratic cause purged and purified by a new attitude towards subject nations, and towards the backward races of mankind. The main grievance against the Government has, however, been that there has been too little democracy in this country; that they have given the message of hope and reconstruction which the democracies are resolved to make after the war, that they have given her, despite the Atlantic Charter, no clear picture of the character of the world they wish to build, that they have given no challenging message to the subject races which have been held down by Britain and some of the associates of Britain in the past. I shall have to say something about this aspect of the problem in the concluding part of my speech. But as the Finance Bill reflects the international situation it can only be judged in the perspective of the world we live in, and the questions of paramount importance, therefore, at the moment are, firstly, those of manpower and leadership, (2) of production, both industrial and agricultural, (3) of strategy, and finally, there is the psychological problem.

Now, Sir, so far as the financial part of the Finance Bill is concerned I have few criticisms to offer. I am in agreement generally with the main structure of the Finance Bill. I know that the exemption limit has been raised from Rs. 1,000 to Rs. 1,500. That is good so far as it goes and I would like to express my appreciation of the spirit of accommodation shown by the Finance Member in this respect. In his original speech the Finance Member had something to tell us about the compulsory savings scheme. He emphasised that at times when prices of commodities were rising and purchasing power was also rising, it was desirable that people should be taught to practise economy. I am opposed even in normal times to expenditure on luxuries, but it has to be remembered that the common man in India has at no time had too much purchasing power and he must not be expected to practise economy at the cost of efficiency as an economic unit of society. Efficiency both industrial and agricultural, I should say even military, depends in no small measure upon clean living, healthy surroundings, food which has a nutritive value, some leisure and some occasional amusement. If the common man is made to economise too much his efficiency as an economic unit in war time will suffer. It is essential therefore in my view that the problem should be viewed from this point of view, and I am inclined to think that it is a mistaken notion that there is too much money power in the hands of the average common man. I am not thinking of my Honourable friend Mr. Dalal. I am thinking of the common man. I do not deny that certain classes may, because of the profits that they are making out of the misfortunes of humanity, have benefited, but there is no data which will warrant me in saying that there has been a rise in the wage level corresponding with the rise in the price level. My personal observation has convinced me that the rise in prices of essential commodities has hit the poor working class people and the lower middle class people and they represent the backbone of any modern community. At no time have

they anything to save. The invisible and visible commitments of Indian families, joint in structure with responsibilities extending to the fortieth cousin, are great and it is dangerous to assume from experience in the west that what is true of western countries is necessarily true of India. I think that there is no joint family among the Muhammadans but the position is not different essentially in this respect among the Muhammadans either. I therefore hope that in his concluding speech the Honourable the Finance Secretary will throw some light on the wage position as compared with the price position in the country.

Having said this much, I will reiterate what I said before that I am not satisfied that the tax on kerosene oil is right and just. It will hit hard the poorer section of the community and I should have liked it myself to disappear altogether.

I should also like to say just one word about Labour. There is at this time need for greater co-operative effort on the part of Labour, Government and employers, and in the reconstructed Executive Council it was a surprise to me that no representative of Labour was included. I am sorry that the Honourable Member for Labour is not here. As Leader of the House he ought to have been here. I would suggest to the Honourable the Leader of the House to have a co-ordinating agency at the Centre of employers, Government and Labour. Speed both in administrative and legislative matters is needed so far as Labour is concerned. You must at this time give them the vision of a better deal. There is need for such an industrial or economics council in the provinces also.

The budgetary deficits which the defence situation has necessitated is inevitable and in the circumstances the Budget cannot be attacked on the ground that we are spending too much on defence. But expenditure, unless it is wisely directed and controlled, howsoever great it might be, cannot enable any country to win the war. Past neglect of industrialisation has proved ruinous for the country. It cannot be denied that there has been neglect on the part of Government in the production of armament machinery. A vast illiterate population cannot provide the initiative and intelligent effort needed for a totalitarian war. Two-thirds of our population is restricted to cultivation and agriculture in its primitive form. A country cannot, should it find its communications suddenly cut, ever feel secure, in modern war, which depends on heavy industries. I was reading the other day some articles which Sir Walter Citrine has contributed to the *Daily Herald* on what he saw in the Soviet Union. According to him it has been possible for the Soviet Union to increase four and a half times what each factory was producing in the unoccupied areas in the short time that the war has been in operation in the Soviet Union. The excellent account which the Soviet Union has rendered is due in the main to the far-sighted policy which M. Stalin and the Government of which he is the respected head pursued in the matter of industrialisation. After nearly two years and eight months of war effort, we are not making our own tools, machinery or locomotives. We have been dependent and we continue to depend upon foreign countries for our plant, our machinery, our locomotives. We cannot accept the view that what the Government could do has been done for industrial development. The other day a junior Minister of the Crown, Mr. Harcourt Johnstone, made a speech which has been the subject-matter of much attack in the Leftist press in England. He stated that England would have to face fierce competition in the post-war world from the United States of America, from the Dominions, from South America and other European countries.

[Mr. P. N. Saprú.] ... and, therefore, he suggested that this post-war point of view should not be forgotten. The desire to retain an antiquated industrial structure in England based on the competitive principle in life has resulted, even in war time, as Sir George Schuster who is a conservatively-minded man pointed out in a speech which he delivered I think in Leeds the other day, in the neglect of industrial expansion in that country. We are now told that an American technical mission is shortly to visit India. What will be the object of this mission? Will it help Indian industrialists and Indian capitalists, Indian captains of industry and Indian leaders of industry, and the Indian State to develop the armament industries in this country? Is India to be a field for exploitation by the U. S. A. capitalists or are the Indian States and the Indian capitalists to share in the exploitation of the resources of their country? I do hope that some light will be thrown upon the nature and object of this American technical mission. I think—I have no right to—but I think I speak the mind of Indian industrialists when I say that they would be glad to welcome American help and American co-operation; but mainly, if not exclusively, industrial development must remain in the hands of Indians. We do not therefore want foreign vested interests to be created in this country in the name of the war effort. I hope, therefore, the Honourable the Commerce Member or the Honourable the Commerce Secretary—I do not see either of them, that is the respect that they show to the House—I hope, therefore, that the Honourable the Commerce Member if he participates in the debate will enlighten us as regards the precise scope, character and object of this American technical mission. We have to realise that the population of this country has grown at a tremendous rate. I think we have added nearly 50 millions to the population in the last census. Nearly 70 per cent. of our population has to depend on agriculture or services dependent on agriculture. In the United Kingdom only about 8 per cent. of the population depends upon agriculture. In the United States only 22 per cent. depend on agriculture. There is in progressive countries a tendency for the proportion of the population engaged in agriculture to decrease in numbers. The proportion of people engaged in the United States in agriculture has declined from about 70 per cent. to about 22 per cent. in the course of a century. What has been the record in this country? I should like the official benches to enlighten us on this point. Therefore there is need for a co-ordinated and more direct effort in regard to production on the part both of the Central and Provincial Governments. Efforts should be made in future to encourage heavy industries, medium-sized industries, small industries. There should be an effort, as has been suggested by Sir M. Viswesvarayya, in each region or area to create industrial organisations and new corporations and new units. Further the State must provide institutions, agencies, facilities for training and conditions for absorbing a large part of the population in the industrial line and we must in building up our industries keep not only the war-time point of view in mind but also the post-war point of view in view. At the moment there is need for increasing production of steel manufacture, of machinery, of aircraft, of automobiles, of ship-building and heavy chemicals, including dye-stuffs and rayon. A suggestion which has been made by Sir Viswesvarayya and which I will adopt as my own is that each province should be invited, having regard to the conditions prevailing in that province, to build up one or two key industries and I would support what the Honourable Dr. Kunzru said yesterday that coal and oil should be nationalised; in war time we cannot entirely depend upon private initiative and I would advocate the launching of loans by Provincial Governments for the starting of new industries and meeting interest charges on these loans from the public revenues

until new industries are able to pay their way. Similarly in regard to medium-sized industries. Government should assure the private capitalist that he can depend upon their support in the post-war period if he starts new industries now. Planning is also needed in the case of small-sized industries or what might be called cottage industries, for we must enable the rural population to increase their earning and their income and we must encourage them to be reasonably self-sufficient to the fullest extent possible. The help given to industries need not—and at the moment it is not necessary—take the shape of protection. Provision of banking facilities, help in the matter of statistics, starting of technical and educational institutes and research laboratories are various directions in which the State could and should encourage Indian capitalists to come forward and take over planned industrialisation. For this purpose a Department of Production would seem to be urgently indicated at the Centre and I should have one Member of the Government with an adequate Secretarial staff devoting himself to the problem of production. I do not forget that there are transport and financial difficulties in our way on account of the war at this moment, but I do not believe that the United States of America would have sent out a technical mission to this country if transport between this country and the United States was well nigh impossible. I cannot therefore congratulate the Government on their record of industrial development. I do not in the slightest degree reflect upon my good friend the Commerce Member, but he is subordinate to Whitehall and British vested interests prove too strong for us even in war time, but, if the war is to be won and India is to be saved, then the National Government of the future—assuming that one is formed—must be assured of the fullest support in planning heavy small scale and medium size industrialisation in this country, for effective defence, I would again emphasise, Sir, depends upon industrialisation.

Passing on from the question of industrialisation to agriculture, I would repeat what I said in my speech on the Budget, that the problem of increasing the essential food supplies of wheat, rice and cereals cannot be ignored. The position in regard to wheat is particularly bad. For rice too we have been depending far too much on Burma. Here in Delhi, from personal knowledge I say this, for several days it has not been possible for the population to get wheat. In my own town at Allahabad, we had enormous difficulties in getting wheat. We must, therefore, help agriculturists as indicated by the Council of Agricultural Research in all possible ways to undertake the production of these essential food crops. Internal security—I am thinking of a long range policy—internal security and civil order in a modern State fighting a totalitarian war depends upon adequate food production and supply. Why did Germany fail in the last war? She was not militarily effectively defeated. There was a revolution in Germany because the German people could not get food to eat. Therefore, Sir, we should endeavour to achieve in respect of essential food supplies regional and provincial self-sufficiency. The heavy demands on our transport system during war time make it absolutely imperative that a well directed effort should be made for increasing the acreage of land under cultivation and the yield from that land. The agriculturist must be helped with cheap credit by a rapid expansion of the co-operative system, by a supply of agricultural implements and by supply to him at cheap rates of manure, seed and other requisites necessary for agricultural production. There should be better facilities for the marketing of agricultural products and in cases of emergencies created by air raids Government should be prepared to take over the control of food supplies in any area and keep the population in a fit state of nutrition. I am merely indicating what the problem is and certain directions in which it can be solved. In England the questions of agricultural

[Mr. P. N. Saprú.]

production during war time has received much attention. Producers' and consumers' interests must be reconciled and as the retail prices of goods are likely to rise and continue to rise the Central Government should not hesitate to take action in advising Provincial Governments to set up Price Tribunals. I think, Sir, some Provincial Governments have the system of Price Control Boards, the object of which is to check increases in retail prices. In New Zealand, Sir, since the outbreak of the war the retail price index has shown an increase of 6½ per cent. as compared with 8½ per cent. in Australia and 27½ per cent. in the United Kingdom. This comparatively small rise in the price index in New Zealand is due to the system of Price Tribunals which the New Zealand Government has established.

From the question of production I pass on to the question of man power. We have been lately told that over a million men have joined the army. We do not know what the strength of the Indian Army in India is. Government has so far concentrated on defending the outer frontiers of India. The exact figures of the number of Indian troops and the casualties suffered by them in Libya, the African theatres of war, in Malaya, in Singapore, and in Burma, have not been revealed to us.

THE HONOURABLE THE PRESIDENT : Will you not reserve your remarks till the secret session ?

THE HONOURABLE MR. P. N. SAPRÚ : I will not say anything which will impinge upon that. This is just because the Dominion Parliaments and the British Parliament are much better situated in this respect. In those countries the executive Government knows its responsibility to the legislature and considers it its duty to keep the legislature informed either in public session or in secret session of the disposition of troops but here we are not supposed, as it is a Government's war and not a people's war, to know what happens to our troops abroad but I think I am not treading on delicate ground when I say that the number of troops in India cannot be more than about 450,000 and that they are not sufficiently equipped with air support. There is plenty of war material I think locked up in England which could be better utilised in this country. If India is to take over the responsibility from Britain for defending herself then she must be helped with adequate air support. For internal security, for dealing with possible fifth column activities, for keeping Government and the Army well informed of the activities of possible parachutists, a Home Guard constituted on the lines of the British Home Guard is indicated. It is possible to get instructors; and as was pointed out by Dr. Kunzru yesterday you have got a large number of retired army officers and you need not equip them with heavy guns or rifles. They are not equipped with heavy guns or rifles in England either; also in order to stiffen resistance, to encourage people in the hope and belief—and the problem today is that people do not think that they can resist—that they can resist the aggressor and that internal order can be maintained, in case of invasion expansion of internal security troops is essential. We do not know what action, if any, Government has taken to throw open the army to all classes and creeds and races in this country. We were supplied with the proportions in February, 1941, and since then we have been supplied with no figures. There must be more vigour infused in—I do not like the word "Indianization"; I always use the word "democratization" or "nationalization"—there must be more vigour infused in nationalising the army. There is no dearth of leadership in India and I am amazed that after two years and eight months of war effort the Indian personnel in the higher ranks of the

army, the air and other defence forces is as low as we found it to be the other day when certain questions were answered in this House by the Honourable Mr. Williams and this is very unsatisfactory. The Army needs to be nationalised in a much more effective manner than it has been so far. With the vast manpower available in this country we should have and could have done much more if we had had the direction of war effort in our own hands. The severest indictment against the British administration in India is that it has emasculated the people of the country. The peace that Britain has given to this country has been the peace of the grave, and if the Indian people in this crisis are not as war-minded as they should or could have been, the responsibility is that of Britain and of British statesmen—

THE HONOURABLE THE PRESIDENT : May I remind the Honourable Member that there are other speakers ?

THE HONOURABLE MR. P. N. SAPRÚ : I think I can speak for some time on the Finance Bill. There is no time limit.

THE HONOURABLE THE PRESIDENT : I am not stopping you, but I am reminding you that there are other speakers who are very anxious to speak and I wish to conclude this debate today.

THE HONOURABLE MR. P. N. SAPRÚ : I shall be brief to the utmost extent possible, Sir.

Having dealt with the question of production and man-power in a cursory manner, I shall now come to what I regard as the most vital problem, namely, that of changing the psychology of the Indian people towards this war. From the very beginning of the war we have taken up the correct line that we are prepared to co-operate with the war effort on terms—I would like to emphasise this, Sir, on terms—consistent with the self-respect of India. If you desire a country to give the best that it is capable of, if you desire a people to put forth the utmost effort that it is capable of, then you must supply that people with moral and spiritual leadership; you must give that people the vision of a new world. People must be made to feel that in fighting this war they are fighting for the preservation of a freedom that is already theirs, that they have already achieved. Why and how is it that the Soviet Union has been able against heavy odds to fight? She is fighting not only Germany; she is fighting Finland, Rumania and Hungary. How is it that the Soviet Union has been able to put up a most magnificent resistance against German hordes? How comes it about that China, which used to be the laughing stock of the world—the people of China used to be described only till the other day as opium eaters, as men who were just quarrelling among themselves—after four and a half years of strenuous struggle, remains undefeated by Japan and continues to be a problem for that imperialist country? The reasons are not far to seek. The British people, to whose courage I wish to pay my humble tribute, the Russian people and the Chinese people are fighting for the maintenance of their liberties, the enlargement of their liberties and the enlargement of human liberties. They are fighting for the maintenance of their standards of living, of values they have been taught to appreciate and hold dear. The Indian people have not been supplied with any moral and spiritual leadership. The August declaration, which represented the quintessence of British political wisdom was completely unacceptable to the Indian people. It was only acceptable to the leader of the Muslim League, Mr. Jinnah. When I read his speech this morning, I wondered whether I was reading Hitler or Mussolini or whether I was reading the speech of a democratic leader. "I must be regarded as the only leader of Muslim India. No other person has a right even to be heard." This is what

[Mr. P. N. Saprú.]

Hitler would say ; this is what Mussolini would say ; this is what General Tojo would say—

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House) : What does the Congress say ?

THE HONOURABLE MR. P. N. SAPRU : The Congress does not say anything of that. I am no advocate of the Congress, but if he is—my Honourable friend will forgive me—fair minded and will read the Congress resolutions carefully, he will find that the solution that the Congress put forward was on democratic lines. It accepted the communal award ; it advocated a constituent assembly elected on the basis of territorial representation. If there be a grievance, if there is no agreement, then it advocated arbitration. My Honourable friend and his friends want to dominate this country. They want to dictate the policy of this country, and there shall be, there will be and there must be no dictation. (An Honourable Member : "Nobody wants that".) It is he and his community that the Axis powers are supporting every day in their broadcast, and Mr. Jinnah has referred to the Axis powers today. He and his community are fighting a losing game—

THE HONOURABLE THE PRESIDENT : Honourable Mr. Saprú, I would advise you not to go into mutual recrimination.

THE HONOURABLE MR. P. N. SAPRU : I did not want to do so. I wanted to keep the debate on a high level today. But my Honourable friend, who is the Leader of the House, ought not to have shown a partisan spirit and made some remarks of this character.

THE HONOURABLE SIR DAVID DEVADOSS (Nominated Non-Official) : Do not make any personal remarks.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Do not forget that I am a Moslem.

THE HONOURABLE MR. P. N. SAPRU : You must not forget that I am a Hindu.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : But do not attack the Muslim leader. If you want respect, you must give respect to others.

THE HONOURABLE MR. P. N. SAPRU : I have never attacked the Muslim leader. The Honourable Mr. Muhammad Husain yesterday attacked my religion.

THE HONOURABLE THE PRESIDENT : Will you please go on to the next point ?

THE HONOURABLE MR. P. N. SAPRU : Take the Honourable Mr. Syed Muhammad Husain's remarks the other day. I could go into them. I treat them with contempt. The August offer served to deepen communal discord and convince India that Britain was not serious in her intentions towards this country. The steps taken to associate Indians were halting and in the selection of Indians a premium was put upon subservience, upon sycophancy and all that goes with it. Small wonder then that the country is resentful and suspicious of any move made under the compulsion of events at the eleventh hour to enlist Indian co-operation. That is the feeling in the country. There is no generosity in the offer that Sir Stafford Cripps is

supposed to bring out to this country. It has been necessitated by the course events have taken in Malaya, in China, in Singapore, and in Burma, and the national government of the future will have no easy task. It will not be a bed of roses for the Government of this country. Nevertheless I recognise that by sending Sir Stafford Cripps to this country His Majesty's Government have taken a right and wise step. They have taken what Mr. Amery had refused to take so far and what we had insisted that he should take, the initiative in breaking the deadlock. We have won the first round. I should like to accord a most hearty welcome to Sir Stafford Cripps. I can hardly believe that he, a leader of the international leftist front, would come out to this country on a wild goose chase. He knows or at any rate ought to know what political India wants. What political India wants may be summed up in one word, freedom, full freedom, to order her life free from alien imperialism. Once our right to an independent existence as a State which is entitled to equality of status and functions with Great Britain and the self-government countries associated with her is recognised, I think it would be the height of folly on the part of Indian politicians to allow any prudential considerations to interfere with what is their most sacred duty, namely, the duty of safeguarding their country against foreign aggression. We should write ourselves down in history as cowards if we were not, once freedom is recognised and guaranteed, prepared to co-operate wholeheartedly and without any mental reservations with the progressive powers in this war. It is sheer madness on the part of any Indian to think that he can get freedom at the hands of the enemies of Britain. The Axis powers are not out to destroy an empire ; they are out to build an empire. The will to resist in this country will develop and can develop only if Britain concedes to us the right of independent and free existence as an autonomous State. Once freedom is conceded, it ought to be our concern to see that India puts forth her maximum effort, all the effort she is capable of, all her treasure and blood. I do not believe in respecting rights of property or respecting rights of person. Once freedom is conceded, India must put forth her maximum effort for the cause of human freedom. There must be no backsliding, no faltering, no wavering, no "ifs" and "buts" on our part. Once our freedom is guaranteed and a national government deriving authority from the responsible elements in the public life in the country, deriving authority from the main political organisations in the country, at the Centre and commanding the confidence of the country, is established, we must make up our minds to sink or swim with the progressive powers with the democratic powers ; for if they fail the cause of human liberty will receive an irretrievable setback. We must resist the aggressor, we must develop the will to resist the aggressor. I believe in the power of the human will. We must resist the aggressor by all means, violent and non-violent. We must non-co-operate with him in every way. If he should land on our sacred soil we must give him no food, no shelter. It must be our concern, once freedom and a national government are established, to see that our sacred soil is not over-run even for a minute by the Japanese aggressor. Therefore there must be no defeatism in our ranks. There must be confidence in our capacity at all costs to maintain the freedom that we have won for ourselves. Nations that deserve to live do not hesitate to make the supremest sacrifices for the freedom that they have achieved. With conviction in the righteousness of our cause we must prepare ourselves for resisting Japanese imperialist ambitions, once our freedom is established, guaranteed and assured. I am assuming that Sir Stafford Cripps has something to offer and that the just and final solution which he is bringing out for this

[Mr. P. N. Saprú.]

country is really just and final. Of Sir Stafford Cripps I wish to speak in terms of the highest respect and admiration. Speaking for myself I very largely share his social and economic philosophy and I find it hard to believe that he of all British statesmen will let this country down. We all desire his mission to succeed. There must be on the part of us all a willingness to subordinate sectional and communal interests to the common weal. There must be on our part a desire to give every possible assistance in finding a way out of the *impasse* in which we find ourselves. For if he fails the situation, far from improving, will deteriorate. He will meet with powerful opposition—that is my anticipation, I shall be very glad if I am proved to be wrong—from Governors and may I say Executive Councillors with vested interests in the maintenance of the deadlock, with opposition from communal and sectional groups, from mushroom organisations which will spring up under the patronage of shall I say of white and brown bureaucracy, from defeatists who have lost all faith in the victory of democracy, from honest pacifists for whom I have sincere and great respect for their pacifism but with whom I do not agree, who wish to avoid the loss of life and property which a prolonged struggle will necessarily entail. I have hope and confidence in his capacity to rise to the occasion and I hope that if alternative suggestions or solutions are put before him in a helpful spirit even though they may not exactly come within the four corners of his formula, he will not rule them out merely because they do not accord with the Cabinet proposals. The lessons of Malaya, of Singapore, of Java, or Burma, where the civil population was indifferent if not actively hostile to British imperialism must not be forgotten. And if the institutions which Britain has given to the world—and these are her greatest contribution, it is not the Empire which is her greatest contribution—are to survive, if what that aged journalist Mr. Gardner called the other day the English spirit is to survive, if democracy is not to be blotted out from the face of the earth, if the words “social justice” is not to disappear from our vocabulary, then we must be prepared to rally to the cause for which de-imperialised powers would then be really fighting. We wish to give Sir Stafford Cripps every help in finding a way out. We do not prejudge the issue in any manner whatever, and therefore it is that, contrary to our usual practice, contrary to our past practice, we have decided not to oppose the passage of the Finance Bill. We can do no more as we do not know what the proposals are, for the situation does not warrant at the moment a complete change of front. I wish our British friends not to misunderstand our attitude. It is not lack of sympathy or desire to shirk responsibility for the defence of our country and the larger causes in which we are interested that decides our attitude of neutrality in regard to the Finance Bill. It is our lack of confidence in this Government as a good war machine, as an agency for converting this war into a people's war, as an agency for changing the outlook of the Indian people which is, I am afraid, not very satisfactory at the moment. It is these reasons that determine our attitude. Our attitude is not the attitude of defeatists. It is the attitude—I would like to emphasise this because I have indicated our willingness to accept responsibility even at this tenth or eleventh hour—it is the attitude of brave men who are prepared to shoulder responsibility provided responsibilities are conceded to us, who are prepared to co-operate if co-operation is sought from us on terms of equality, and there is no encouragement of Hitlerism in this attitude. If I were so minded I could have accused the British Government of having encouraged in this country a defeatist mentality, of having done all that is humanly possible to weaken the forces of progress, of being unwilling and unwitting instruments of Hitler, Mussolini and General Tojo. But I do not.

wish to dilate on the past. I wish the past in the interest of posterity, in the interest of the present, to be blotted out from our memory. I wish to fix my gaze on the present and the future. In deciding upon the step of remaining neutral on the Finance Bill I would say that we have made a gesture which, if Government will remember the line that we have so far taken in regard to the manner in which the war effort in this country has been made, is one of goodwill towards the mission of Sir Stafford Cripps.

Sir, I should just like to say one or two words about the question of educational reconstruction on which Sir Ramunni Menon spoke yesterday.

THE HONOURABLE THE PRESIDENT : May I remind the Honourable Member that he has already spoken for an hour and nine minutes. I cannot allow him any further.

THE HONOURABLE MR. P. N. SAPRÚ : I will not take more than two minutes. I should like to associate myself with what Sir Ramunni Menon said about the importance of having a post-war educational reconstruction committee immediately. The question of post-war educational reconstruction has been receiving much interest in England and I only finished the other day a very interesting book by Sir Richard Livingstone on the future of education. He wants complete overhaul of education. I think industrial efficiency, efficiency in war, efficiency in every walk of life, depends upon education. I think the problem of education should be viewed as a national problem and there should be co-ordination and co-operation between the Provincial Governments and the Indian Government so far as education is concerned. I am not suggesting that my Honourable friend Mr. Tyson should impinge on the powers of the Provincial Government. I am merely asking him to seek their co-operation in establishing at the Centre a post-war educational reconstruction committee.

Another thing on which I should like to say just one word is that of Indian evacuees from Burma, Singapore and Malaya. I think that question was dealt with very exhaustively by the Honourable Dr. Kunzru yesterday. The suggestion that he made that they should be exempted from the operation of income-tax is worthy of consideration. They want the income-tax laws to be suspended in their case. I do not think they are claiming a permanent exemption from the operation of the income-tax; and I would also support the suggestion that the Standing Emigration Committee or two members of the Standing Emigration Committee and the Honourable Mr. Aney and Mr. Bozman should go to Tammu in Assam. Sir, there is no question which is likely to cause deeper resentment among Indians than racial discrimination. If you deny a man the right to govern himself, you do not hurt him so much as when you attack his race or when you do something which makes him feel that he is racially your inferior or you look upon him racially as your inferior. I know, Sir, a high caste man of the greatest loyalty, whose loyalty you cannot doubt. He does not belong to my school of thought at all. He is an aristocrat. He had been insulted once. He said, “I am supporting Britain, but I cannot forget that they have insulted my pride of race”. That insult he had never forgotten, because people do not easily forget insults. That sort of thing is very annoying and I do hope that at this moment there will be no racial discriminations, because we are all anxious to create a better atmosphere.

That is all I have got to say on the Finance Bill, Sir.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary) : With your permission, Sir, I should like to intervene at this stage in the debate and

[Mr. E. Conran-Smith.]

offer a few observations on the points taken by my Honourable friend Sir David Devadoss yesterday. My Honourable friend is concerned to know whether adequate preparations have been made to deal with the threat of *goondism*, looting and attacks on law-abiding citizens, should enemy attacks or air raids materialise, and thus give an opportunity to *goondas* and bad characters to fish in troubled waters. Sir David Devadoss advocates as a protection against this danger the arming of respectable young citizens with what he described as fowling pieces. By the use of this somewhat archaic term he later explained that he meant muzzle-loading guns. I might digress here for a moment to the extent of saying that although my Honourable friend in a rather reminiscent mood referred to these weapons as if they belonged to the days of his youth and of yours, Sir, I may say that I have myself used a muzzle-loading gun in quite recent years and still remember that several seconds passed before I recovered full consciousness. That, however, is not to say that they cannot be a very effective weapon, rather the reverse.

Well, Sir, let me assure my Honourable friend that the Central Government and Provincial Governments are fully alive to the need for guarding against the dangers which he apprehends. Government do not, however, believe that the safeguard lies in the indiscriminate arming of the populace but rather in the increase of disciplined and organised bodies to which arms can be safely entrusted. It is unfortunately the experience of the authorities that arms thus distributed to persons who are themselves law-abiding and loyal often pass into the hands of those very elements in the community against which they are intended to be used. The very existence of those weapons is more often than not an invitation to dacoits and marauders to attack and take possession of them, and unfortunately that has happened quite recently in one particular part of India.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): What are the disciplined and organised bodies to which Government will be prepared to give arms?

THE HONOURABLE MR. E. CONRAN-SMITH: If the Honourable Member will allow me to finish the few remarks I was offering, I hope to tell him. The view Government take on this point is that the arming of bodies of irregulars might result in the establishment of private or communal armies and might thus increase the likelihood of disorder. What Government have in view—I hope my Honourable friend is listening—what Government have in view is a very considerable increase in the regular police all over the country for the purpose of preventing those disorders which my Honourable friend Sir David Devadoss apprehends,—and I may say that all of us share his concern on that point. Provincial Governments have already been asked to commence this expansion of the Provincial Police, and the increase which has already taken place is somewhere in the neighbourhood of 30,000, but that is, of course, not the limit of the expansion contemplated. The limitation to such expansion must be at present the shortage of arms, a consideration of which my Honourable friend Sir David Devadoss has shown himself to be fully aware by his reference to fowling pieces.

All I can say on that point is that Government are actively considering measures to increase the supply of arms for the use of Provincial Police and hope that we shall succeed in our efforts.

One further point, which I should like to mention and which I hope will help to reassure my friend, is that owing to the rapid expansion of the army the number of troops fully or partially trained in this country is very much larger than it is in time of peace and that is, of course, one of the reasons why the present very large output of arms is being absorbed and is not available for arming the police. This additional military force will provide additional insurance against any widespread disorder arising in India in the circumstances envisaged by my Honourable friend.

Finally, Sir, I should like to make this important point. Disorder in the conditions arising out of hostile attack is much less likely to arise where the morale of the population is high and therein lies an excellent reason why widespread support should be given to the National War Front recently initiated by His Excellency the Viceroy. The principle of that Front is that it rests in the hands of the people themselves to maintain morale at a high level and thus to save themselves from any unnecessary and additional suffering which follows loss of morale and, therefore, panic. It is conditions such as those that favour the dacoit and the marauder of whose activities my Honourable friend is so apprehensive.

May I, therefore, Sir, in conclusion suggest to the Honourable Sir David Devadoss, my Honourable friend Mr. Sapru and others that it is open to them, when they go back to their Provinces, to support the object of the National War Front and thereby to convert the spirit of defeat to which my Honourable friend Mr. Sapru referred into that spirit of resistance to aggression of which he also held out hopes during the course of his speech?

THE HONOURABLE SIR DAVID DEVADOSS: May I put a question, Sir? Is there any objection to increasing the strength of the U.T.C. in Madras?

THE HONOURABLE MR. E. CONRAN-SMITH: I am afraid that is a question that my Honourable friend should address to the Honourable the Deputy Commander-in-Chief.

THE HONOURABLE MR. R. H. PARKER (Bombay Chamber of Commerce): The Honourable Mr. Conran-Smith has just been saying that one of our main duties at the moment is to do everything we can to improve and add to the morale of the people. I myself feel that we have all said something in that direction in so far as I have been able to listen to this debate but obviously there is considerable inconsistency in saying that and either remaining neutral on this Bill or voting against this Bill. I think those two things are completely opposite and I think we here have a real opportunity to show to the people of this country that we do realise the war, that we do believe we ought to fight against the aggressor, that we do realise that we have got to make sacrifices or else we cannot hope to win. I would therefore appeal to my friends on the other side of the House not to remain neutral but to vote for this Bill.

I am greatly obliged to the Government for introducing several amendments in the Bill, in particular that which deals with the question of legal charges on compulsory savings. I look upon that as a very important point and very much in favour of the small man who is going to be forced to save and while there are those on the other side of the House who seem to depreciate this compulsory saving I myself believe that in the not very distant future it will be a common provision in all countries that the earning capacity of a man should to an extent be set on one side for his future necessities.

[Mr. R. H. Parker.]

Both the Honourable Mr. Mahtha and the Honourable Mr. Dalal—one I think on the Budget Speech and one on the Finance Bill—seemed to raise objections to the Indian Army being overseas and suggested that they should be in this country. Well, now, I do honestly think that it is much more important to kill the enemy, if you can, far away from your country than when he is in your country. It was for this very important reason that England sent her armies as fast as they could to France to fight there.

Similar criticisms were raised with regard to equipment. You may have lots of equipment in England, you may have more than you want in America, but the difficulty is how to get it to the place where you want it.

A good deal has been said especially by the Honourable Mr. Sapru on the subject of the industrialisation of India. It happens that I came to this country 23 years ago roughly for that particular purpose and I spent nearly three years endeavouring to do something in this direction. Now I will tell you why those endeavours failed. They failed because the Indians connected with the undertaking preferred to make money by gambling rather than by industrialisation and as long as you have a race which will insist on gambling rather than working you will not find industrialisation going ahead.

The Honourable Mr. Dalal objected to the scorched earth policy. I ask him this question. Supposing you leave a perfectly good factory behind for the Japanese to take, whether it be in Burma or Malaya or anywhere else: Do you think they will leave it for you again?

THE HONOURABLE MR. M. N. DALAL (Bombay: Non-Muhammadan): May I interrupt the Honourable Member? I am not entirely against a scorched earth policy, but what I should like to know from Government is whether we are entitled to any kind of compensation if a scorched earths policy is being followed.

THE HONOURABLE MR. R. H. PARKER: I suggest that the first thing to think about is winning the war and the second thing is about compensation for what you have lost.

Then, one Honourable Member, at an earlier stage, thought that the excess profits tax limit of Rs. 36,000 was not low enough. There is a good deal to be said for that point of view. On the one hand that figure does encourage small industries. If the Honourable Member had the experience I have of sitting on the Board of Referees, he would know that you would have a very large number of cases to deal with if you reduced the limit and that for the present at least the capacity of the Department to deal with the tax is sufficiently engaged. It may be possible later on to reduce it, but I do not think it can be done now. I do think it is very important that the Department should take every care to see that individuals do not, as I understand they are doing, so arrange their affairs that they carry on three or four different businesses under different names and none of them make more than Rs. 36,000 a year.

There have at various stages been criticisms of the increases in the charges by Government Departments—Railways and in particular the Posts and Telegraphs Department. I personally take the view that there is no reason why those charges should not be increased and produce extra revenues as much as any other charges. But I want to draw particular attention to the fact that when you are paying for the services performed by the Railways and by the Posts and Telegraphs Department, you are paying to an undertaking which if it were privately owned, managed and controlled, would be bearing income-tax, super-tax and excess profits tax. Now, the Railways and

the Posts and Telegraphs do not bear these taxes and for that reason their charges are apt to be lower than they would have been if they had to bear them. For that reason it seems all the more sensible and wise that these charges should be put up in existing circumstances.

Some Honourable Members have referred to the subject of the shortage of wheat. I wish I could track down for you the very large quantities of wheat that were removed to the Gujerat district of India not very many months ago and which are there buried waiting for a higher profit.

THE HONOURABLE GENERAL SIR ALAN HARTLEY (Nominated Official): Sir, may I refer to one or two questions which cropped up during the course of this debate? My Honourable friend Mr. N. K. Das has asked the question, "Will Indian troops be brought back from overseas to defend their country?" I think that already my Honourable friend here has indicated the reply, namely, that a country is not necessarily best defended from its own borders, and that is the case of India at the present moment. We want to keep the enemy as far away as possible from the vital spot: and that is why Indian troops are at the present moment in the Middle East and in Burma. That is our policy, as has been declared many times and in many places and through the broadcast. As there is going to be a secret session, I do not think it is necessary for me to say anything more about it now.

My Honourable friend Mr. Kalikar raised the question of Indian emergency commissioned officers, as did my Honourable friend Pandit Kunzru. The Honourable Mr. Kalikar complained that we were purposely refusing Indians commissions and were keeping them to a small quota as compared with European, Anglo-Indian and Australian candidates. He further said that the percentage of Indian emergency commissioned officers was going down—

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces: General): May I just explain to the Honourable Member what I said yesterday? I said that the system of quota was followed in the first year and that it was stopped in the next year.

THE HONOURABLE GENERAL SIR ALAN HARTLEY: I beg your pardon. I think you have said that the policy of the British Government was that they do not want Indians to come forward as officers in the army. I may say that these allegations are completely unfounded. I have examined last evening the figures of the number of cadets interviewed by the Central Interview Board since November-December, 1940. The percentage of the numbers taken out of those interviewed has continuously increased from 45 per cent. in January-February, 1941, to 70 per cent. in September-October, 1941, and the latest figure for January-February, 1942, shows 736 taken out of 959 interviewed or about 76 per cent.

I may say that the Central Interview Boards have been told to reduce their standards in order to take in more Indians; and the consequence is that they are now taking in some doubtful cases which under the previous system would not have been taken in, the idea being to give these doubtful cases a chance to go to the Cadet College and thereby prove themselves. A further consequence is that the number of those who fall by the way during their course in the Cadet College is on the increase. Doubtful cases in many cases do not make good. I myself was at Bangalore last week on my way back from Ceylon and I visited the Bangalore Cadet College, and talked with quite a considerable number of the Indian cadets and it was not very difficult for me to see that a certain number obviously would not make good officers. The

[General Sir Alan Hartley.]

Commandant there, who has had a very considerable experience of training Indians both at the Indian Military Academy, Dehra Dun, and during a long time successfully at the Bangalore Cadet College, tells me that the quality is not quite the same as it was before. The quality has deteriorated.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Has it remained uniform in the case of British and Anglo-Indian candidates ?

THE HONOURABLE GENERAL SIR ALAN HARTLEY : I should say that there possibly has been a deterioration there too.

I think I have said enough to show that we are not discriminating against Indians as officers. I say that we are only too ready to take as many as we can get and I should like to add that I know that there is good material still in the country ; and I would welcome any efforts which Honourable Members can make to help us in that direction.

My Honourable friend Pandit Kunzru told the House yesterday that he has instances of these Indian commissioned officers being badly treated. He said that he knew of instances of officers who had been placed under others junior to them. When I was in Northern Command—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Under British officers junior to them, not under other Indian officers junior to them.

THE HONOURABLE GENERAL SIR ALAN HARTLEY : Well, when I was in Northern Command, I made it my business to pay very particular attention to all emergency commissioned officers and particularly Indian emergency commissioned officers, and I cannot say myself that I discovered any case of unjust treatment. But I will say this, that if my Honourable friend can produce to me any case of unjust treatment or bad treatment, I will only be too willing to investigate. I will only be too glad to do so. He has only to come to me and produce the facts. But I would ask this of him and that is that he himself must view the case impartially and objectively before he comes along to me, because he knows as well as I and we all know that there are some people in this world who have a considerably better opinion of themselves than other people have of them, and they do not remember those wise words of King Solomon, "Let another man praise thee, not thine own mouth ; a stranger and not thine own lips".

Well, the Honourable Pandit Kunzru again told us yesterday that every request that Defence should be nationalised has been turned down, that Government would not look at a citizen army or a home guard. Well, Sir, I have given the reasons. The reasons are very simple, lack of arms and of instructors. But I would like to remind the House that I did say that when our situation in those two respects had improved and was satisfactory, I for one would regard the formation of a home guard, which I should much prefer to call a territorial force, with sympathy.

My Honourable friend the Pandit also said yesterday that discrimination had been introduced in the lower ranks. He said there were 434 women clerks of which only 14 were Indian. All I can say is that if more are forthcoming there will be no difficulty in placing them, and if the Pandit will produce to me tomorrow morning 40 qualified and educated Indian damsels, I will place them very appropriately.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Why should it be my business to find them ? You can get them if you try.

THE HONOURABLE GENERAL SIR ALAN HARTLEY : The Honourable Member made the statement. The Pandit also said that a Women's Auxiliary Corps had been started and, I may be wrong, he seemed to imply it was only open to Europeans. That is not so.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That may be theoretically so. I quoted from the statement that it was meant really to replace the soldiers on duty in the Defence Department.

THE HONOURABLE GENERAL SIR ALAN HARTLEY : He also asked why women were employed when large numbers of young men were available. The answer is that the object of employing women is to relieve men for doing work elsewhere, work moreover which cannot be performed by women. And as regards these unemployed young males, the army is crying for clerks and there are today hundreds of clerical jobs for men. But what I fear is this, that the young men themselves are not very forthcoming when it comes to bearing the heat and burden of the day.

My Honourable friend Mr. Muhammad Husain alluded to certain incidents which had taken place in which soldiers both British and Indian had been concerned and pleaded for better relations between the military and the civil population. Well, I need hardly say how very much I endorse that appeal. I am of course well aware of certain incidents which have taken place in Bombay, Poona and elsewhere, and I can say that nobody regrets them more than I do as do the whole of the officers of the army. We are determined to do all that is possible to prevent such incidents occurring. As regards the Ports, where as you know there are many soldiers in transit on ships coming ashore and so forth—and I am particularly thinking of Bombay—the military and the civil authorities down there have been in very earnest consultation and many strong measures have been adopted. And in this matter I should like to say a word of thanks to the Bombay Hospitality Committee who have been extraordinarily good and useful in this connection. We have also started a Corps of Military Police with the necessary strength to provide for all places where large numbers of troops happen to be stationed or passing through. I hope therefore with my Honourable friend that future incidents of this kind will be few and far between. There is one last point I would like to make and that is this, that many instances of what are really very trivial examples of misbehaviour are deliberately exaggerated by evilly disposed persons, and I would appeal to everybody in this country, to the public press and to everybody else, to help in maintaining good relations between troops and the civil population by refraining from giving undue prominence to matters which in themselves are really very trivial.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. President, this is the fourth Finance Bill with which we are dealing since the war started, but the circumstances in which it is introduced are altogether different from those of its three predecessors. The first war Finance Bill came before us when we were only far-off spectators of this war. We did not then feel that the war was much of a concern of ours, and the Government behaved in the same manner as if this war concerned mostly His Majesty's Government and very little the Government of India. The second Finance Bill came before us after the debacle of France. We were more

[Mr. Hossain Imam.]

chastened. We were interested spectators but we had no fear and we were not in any way downhearted. The third Finance Bill came when the Government was flushed with the victories of our forces in the Near East and there was complacency and a great deal of confidence that we would see the thing through. And now this last Bill has come before us when the whole of the British Empire and India has been stunned by the happenings in the Far East by the debacles that have taken place in the Phillipines, Malaya, Singapore, the Dutch East Indies and lastly in Burma. At this time India is in a restive mood; it is anxious; it is bewildered; it has lost all confidence in the present Executive who control its affairs. It demands, it does not supplicate, it demands that there should be a change over, just as happened in England, when Churchill's Government was formed after the happenings in Norway. It is not only the men who are at fault—I do not find much fault with the men—it is really the system which is always at fault; and while that system persists, while you are merely creatures of Whitehall to carry out the mandate of that place without any free will, without any rights or interests in the war, things will go on as they have been going on for the last two and a half years. Half-hearted measures, petty-foggings, wasted efforts, and lastly spending any amount of money on non-essentials and neglecting the essentials will not help. If you want the present state of affairs changed, there should be a new orientation and a new change over; you have to make drastic changes. If you do not embark on these, let me tell you frankly that you will go on as you have been going on for the last two and a half years; everywhere the enemy is in superior numbers, his equipment is better; at every turn we have been overwhelmed by the enemy. Sir, I welcome the realisation by the British Government that changes are required and I shall not anticipate the course of events of the next two weeks, but the effects of the decisions made will be marked on the battlefields.

Sir, I intend to divide my speech into three parts. Firstly, I wish to discuss the day-to-day affairs, as I call it, the ordinary financial and economic matters. Secondly, I wish to discuss the matters connected with the Department over which our Honourable friend Mr. Aney presides, and thirdly, I shall deal with the major issue, the constitutional issue. It pained me to find my friend Mr. Sapru flare up and get into a temper at what he found in the papers today. I shall refer to it in detail when I deal with the constitutional position. But it is regrettable that even at this time when the enemy is at the door we have not tolerance, that abusing and condemning is the order of the day, when there is nothing to save you and save me from the enemy. We cannot realise even now that the time has come to compose our differences, to live and let live. I for one will be hopeless about India's future if this persists.

Sir, I said that I shall begin with financial matters, and I am sorry to say that I have to look the gift horse of Mr. Jones in the face. He was thanked by some of the critics for having increased the limit of exemption from Rs. 1,000 to Rs. 1,500. It was said that it was done in consonance with, or in order to please, the Opposition. It might have been the cause, but the mainspring was the objection made by the Department itself. Five lakhs of new assesseees. That was no easy job, Sir. I know that the Department was restive, was really wondering what to do. They were not to collect and yet they had to do all the preliminaries, issue of notices, examination of books, etc. It is really to save himself from this bother that this limit was increased to Rs. 1,500; and they got a very good bargain. It was a good transaction; they saved themselves the worry and placed the Opposition under obligation,

that they have been very considerate to the Opposition. I think that shows the way in which the Finance Department has always been considerate towards the Opposition. Mr. Parker referred to the excess profits tax question and said if the limit had been lowered, the amount of work which the Income-tax Department would have to undertake would have been very much increased. That was the reason why against his better judgment the Finance Member increased the exemption limit from Rs. 20,000 to Rs. 35,000 or Rs. 38,000. Sir Ramunni Menon had contended that the Government of India could do well to copy His Majesty's Government in the matter of the excess profits tax. I for one am an unashamed admirer of some of the British Government's financial measures and I have many times advocated their adoption here. But to embark on that requires courage and that courage you can only have in a Government which is really and truly a national Government. It is idle to expect that the present Executive can embark on such drastic measures. I therefore have no hopes of our desire being fulfilled. While dealing with this Department, Sir, I would like to invite Mr. Jones' attention to the fact that the Report of the Central Board of Revenue is published so late that for all practical purposes it is useless. We have now the figures of 1939; in the year of grace 1942 we have the Report for 1939-40. The Railway Board dealing with a Department much bigger than the Income-tax Department and with a fairly complicated system of accounting is able to publish its Report within seven to eight months of the close of the year, while the Central Board of Revenue take a year and a half after the conclusion of the year to prepare their Report. To make it useful it will be necessary to publish it a little earlier. As I said, I find figures in the Report which are not current figures. They are old figures. Therefore my conclusions might not be based on the present affairs. From the Report I find that with all the tightening of the law and reorganisation, you have failed to catch up the evaders. There is still a great deal of evasion. It is unimaginable to think that India is such a poor country that people with an income of Rs. 5 lakhs and over number a dozen and a half. It is unimaginable. As Mr. Parker just referred to, you can have a number of subsidiary companies under different names, all making profits and being taxed separately. You do not jumble them up together, so that you do not have one income and with one income you have the higher rate of taxation. If the income is divided, the rate of taxation is reduced. If it were not for the war, I would have asked the Government to examine this question more thoroughly, but as it is we cannot do anything except to ask the authorities to be more vigilant.

I have also been struck by the fact that there has been some victimisation of the officers in the Income-tax Department. To maintain integrity in a department of this nature is very essential. It is a department in which no breath of scandal should be allowed to enter, because it has to deal with such things that even suspicion would be bad enough but I for one, Sir, am for justice even to the criminals. The British jurisprudence contemplates the stages and methods by which a criminal's guilt or innocence may be found out. The presumption is that everybody is innocent until he is proved guilty. You have a police inquiry, a magisterial inquiry, and then the thing goes to the Sessions Court. But here strange things happen in a department. For every paltry offence and even for the highest offence involving dismissal the man who frames the charges makes the inquiry, comes to the judgment and passes orders. It is as if you empower the police to do the work of the magistracy and of the Sessions Court too. There is something inherently wrong in the system by which you can give the highest punishment to a man without allowing him a chance of appealing before the higher authorities. It

[Mr. Hossain Imam.]

is not the concern of the Finance Department alone; I think rather it is the Home Department which ought to examine this question because it is a common question which affects not only in the Income-tax Department, the Supply Department, the Communications Department, but every department where Government employees are to be found. If you have a charge involving a criminal offence I demand, Sir, that an employee should not be punished without being sent to the Court. You arrogate the prerogatives of the Court; you do not bring a suit against the man. If you had brought the suit against him he would have had the chance of proving his innocence in a Court of law, going right to the High Court. You take departmental proceedings against him, you can mete out even the highest punishment—even dismissal from service—and yet without any effective appeal. It will be borne out by Government records that 95 per cent. or 90 per cent. of the appeals fail; they are not effective safeguard. It is not the percentage in the criminal cases. So I think that wherever an officer—at least a gazetted officer—is charged with an offence, having done a thing which is a criminal offence, he must invariably be reproduced before the Court or he should not be charged on that head. The Department should not proceed on that charge. If the charge is not good enough to be substantiated in a Court of law why should you take action against him on that basis? You start on false premises.

Sir, during the Budget discussion the Honourable the Finance Member had differed from me very vehemently—

THE HONOURABLE THE PRESIDENT: You are not going into the second part of your speech?

THE HONOURABLE MR. HOSSAIN IMAM: I am still dealing with the financial and economic questions.

THE HONOURABLE THE PRESIDENT: I think this will be a convenient time to adjourn. You will proceed with your speech after lunch.

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

The Council re-assembled after Lunch at Half Past Two of the Clock, the Honourable the President in the Chair.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

SECRETARY OF THE COUNCIL: Sir, a message has been received from the Secretary of the Legislative Assembly. The message runs as follows:—

"I am directed to inform the Council of State that the following Resolution was passed in the Legislative Assembly at its meeting held on Tuesday, the 24th March, 1942, and to request the concurrence of the Council of State in the said Resolution:—

"That this Assembly do recommend to the Council of State that the Bill to provide for the better administration of Muslim Wakfs in the Province of Delhi be referred to a Joint Committee of this Assembly and of the Council of State and that the Joint Committee do consist of 18 members."

THE HONOURABLE THE PRESIDENT: We will dispose of that Motion tomorrow.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, when the House rose, I was referring to two items in which the Honourable the Finance Member differed vehemently with me. One was regarding apportionment of the blame for the ill-equipment of our army; whether it was the action of the Opposition or the inaction of the Government benches which was responsible for it. The second was about the responsibility for the rise in prices being primarily on the Government purchasing organisations. On the question of the apportionment of blame for the army being ill-equipped, I ventured to suggest then,—and I do not think any useful purpose will be served by flogging it again,—that we are absolutely blameless. You spent an amount of money which your purse allowed and you spent it on items which were unnecessary—in paying high salaries to the British officers and British other ranks instead of having purely Indian personnel. You paid an exorbitant amount as capitation charges to which we always objected. You had a definite amount of money and you spent it on whatever item you liked, and you did not spend it on items which were necessary. Whose is the responsibility? I shall not traverse the ground much further.

As regards the question of rise in prices, I had then tried to show that it was the high price paid by the Government through its purchasing organisation that was responsible for the little rise in price that has occurred. I take strong objection to the statement of the Honourable the Finance Member that "Government has no time when it has to get on with the war to argue with the suppliers". That is complacency, that is a policy of inaction, a policy of defeatism, a policy of disorganisation, a policy of muddling through, which is responsible for your plight today. Look at Germany and its intensive organisation, its equipment. Without an Empire, without any resources, without anything, it could organise and equip an army in the short space of five years, an army which is unbeaten. Look at Japan. It has been fighting a country like China for four years and still it had such a huge store of materials that it could attack places so far apart as Pearl Harbour and Malaya. Did they follow a policy of not having time to see to everything? This is a confession of your incompetence that you have no time, no idea of how to organise things. Price control as introduced in dictator countries is a thing which you ought to copy. There should be no shame in learning from your enemies. Capital is like rain water. It can run waste, flood countries, destroy crops or it can be harnessed and made to work turbines for electricity and irrigate the fields. The democracies have allowed this mighty river to flood and to bring destruction in its wake. The Soviet and other dictator countries have harnessed it and made it serve the purposes of the betterment of the country to which this capital belongs. Unless you are prepared to reform yourself, unless you are willing to change completely and give up your old ways of muddling through, you have to be prepared for what is in store. It is not a reply to me to say that the Supply Department has to buy things, and it cannot argue with the sellers. How is it that they have built up gigantic organisations in America, trusts, corporations and cartels in Europe, and co-ordinated organisations of German industries? You know of the Japanese textile industry organisation and still you think that we are in such days of bungling that we cannot do anything effective. Are we at the mercy of the capitalists to dictate the price they like, and the country is less powerful than capital. If the country is to be sold to capital then there is no salvation for the country; capital will swallow the country and will itself be swallowed in the end.

THE HONOURABLE THE PRESIDENT: Whom do you call capitalists? Most of the merchants who buy this grain to sell are not capitalists.

THE HONOURABLE MR. HOSSAIN IMAM: Any one, Sir, who wants to make money out of the suffering of the country. My opposition is not to capital *per se*. It is to the way in which it is used. I will give you an instance from my own province to show how the Supply Department affects prices. It is common knowledge in my province and you will find corroboration of it, if there are any market reports of the Marketing Adviser to the Government of India. About two or three months back all at once the price of potatoes rose from Rs. 2 to Rs. 5 per maund in all the bigger towns. We were surprised. On inquiry it was stated that two or three people had applied for a potato contract to the Supply Department and they had received information that the contract might be accepted. The price went to Rs. 6, but fortunately for us the Supply Department did not accept their sample contract and at once the price fell down to Rs. 2-8-0, all within 12 days. Merely the fact that a contract was to be placed takes the market up, and on its refusal the market falls down. It is this kind of thing to which I object. It is really a robbing of the state by an organised band. The fact is the Supply Department is just ordered to get things. It has no say in the matter of the things it has to purchase, and what is worse is, that sometimes the Supply Department is powerless to bring down prices because the orders are so mandatory. Such and such things must be supplied within a week or 15 days. It has no say in the matter of the duration in which it has to supply. It is thus the ordering organisations which are responsible for placing orders for large quantities, to be bought immediately, so I do not blame the Supply Department alone.

Our armies are so heavily equipped that it is difficult for them to advance. They have to retire days ahead of the enemy's arrival. Do you know what goods are supplied to the troops in camp? In addition to a portable bed you supply them with a portable wash basin, portable bath tubs; there are instances of their being supplied with portable dressing tables and even towel racks are supplied to them. Is this the equipment of a fighting army or is it a Raja's shooting party? In these days of hardship and of national total war you are still keeping your army as if it were an imperial army to be just brought here and there, a show force, not a fighting machine. Realise how the Japanese are fighting. What is their equipment, and how mobile they are; and look at your own heavy immovable and almost stationary stock that you call your army.

Sir, I was referring to the Supply Department. A reference was made in the other House to some corruption that may be prevailing there. I am afraid that instead of rooting out where corruption really exists the Department has taken a short cut by taking steps against small fry, and that will be paraded before us as the effort of the Supply Department to bring integrity and to punish wrongdoers. But it should be realised that just as there should be integrity it is also necessary that there should be no victimisation and no punishment without guilt.

Pandit Kunzru referred to the Women's Auxiliary Corps to which General Hartley replied. The fact that we do want to release certain people and to substitute them by women is not objected to by Indians. We object to the fact that if the same work can be done by an Indian at a smaller rate of pay why should more money be wasted? I am not prepared to give in that the weaker sex work better than the stronger sex. In reply to question No. 120 of last session a list was given of some 70 women who are the relations of Secretariat officers who are employed. It does not sound very well. That shows

that there is something rotten somewhere. It is really jobbery that not only white men but their women too should be provided with jobs, while Indians in their own country must starve because the former are the kith and kin of our masters. The Home Secretary referred to the measures that are being taken to safeguard India with additional police. One wonders whether the additional police will function in the same way in which the police functioned in Rangoon. I shall deal more fully with this when I come to subject No. 2.

Sir, I regret that the Government has shown utter neglect of the interests of India, that the Government are still treating the war as a subsidiary and minor phase and not as it should be treated as the main business and the only business which requires our full and complete attention. Unless there is a change in the Government of India's attitude in this respect, there can be no salvation. Mere increase in the number of Indians in the Executive Council will not act as a charm and it will not make the enemy fly away because of the fear of Indians sitting on the Treasury Benches. It is action and action alone which is required.

Sir, I now come to the second part, about the evacuees.

THE HONOURABLE THE PRESIDENT: Didn't you say all you had to say on Mr. Muhammad Husain's Resolution about evacuees the other day?

THE HONOURABLE MR. HOSSAIN IMAM: Unfortunately I was not present that day, Sir. It is regrettable that the Honourable Member in charge had not graced our House this afternoon. He came only for a few minutes. I for one cannot find words to express my sorrow at the way in which the question of Indian evacuees has been treated in different parts of the British Empire. In Malaya Indians were not looked after. I have it definitely from the statement of Mr. Rajabali Jumabhai:—

"Later on we telegraphed with the consent of the Government to His Excellency the Viceroy and to Mahatma Gandhi. And it would surprise you to hear it, gentlemen, that neither His Excellency the Viceroy nor even the Overseas Department had the decency to reassure us as to what arrangements they were making for our leaving that country which was continually being bombed".

Can you imagine anything more callous, anything which would condemn the Government more thoroughly than this? Here is the appeal of your own countrymen residing in a country which is being attacked by the enemy and you do not even care to reply, let alone giving them succour. *Is this the bright record of the new Government of India.* This is not the end of it, Sir. Mr. Rajabali goes on to say:—

"The Governor was good enough to telegraph to His Excellency the Viceroy and we were provided with some ships".

But what kind of ships? Unseaworthy ships. One of the ships could not proceed after two days' voyage. There is a proverb in our country, "*Sari gai Brahman dan*", which means that when the cow becomes useless it is given to the Brahmins. Things which are useless, which can serve no useful purpose, are passed on to Indians. We are there to fight the battle of all the British Empire. But our own countrymen are to be treated as worse than slaves. I think the Honourable Dr. Kunzru was perfectly justified in getting indignant on the attitude that the Government at Singapore had taken in the case of evacuation from Penang. Ceylon which is now calling for our help behaved no better than that. Again I should like to quote—

THE HONOURABLE THE PRESIDENT: What is that paper?

THE HONOURABLE MR. HOSSAIN IMAM: This is the Report which Mr. Rajabali made at the Federation of Indian Chambers of Commerce.

THE HONOURABLE THE PRESIDENT: Is it an official report?

THE HONOURABLE MR. HOSSAIN IMAM: No, Sir. I will paraphrase it. He says that when this ship after 18 days' voyage and lot of difficulties came from Singapore to Ceylon, neither the British Consul nor his Assistant came to inquire as to how they were getting on. Many people were not permitted even to land in Ceylon. And this is the treatment meted out to India after two and a half years of war when Japan is knocking at your door and still you are arrogant and thinking in terms of the old days when you had to carry the white man's burden of ruling the world.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): May I ask the Honourable Member how there comes to be a British Consul in Ceylon, Ceylon being part of the British Empire? There are Consuls only in foreign countries.

THE HONOURABLE MR. HOSSAIN IMAM: Probably he was an Indian Agent—British Indian Agent. It is said that people wanted to get down in Ceylon; they were prepared to pay their fare and still they were not allowed to land. I do not wish to prolong the agony, but I do wish the House to realise why Indians are so bitter and why there is no compromise between the British Government and the public organisations of India. It is because they have not yet changed. They are not realising where they are. They are not treating us as equals, and until they change you cannot have any co-operation which will see India through.

I shall now come to Burma. If you want worse things than Malaya then come to Burma, a country so near to us, a country which was part of the Indian Empire, a country whose defence is still under the Commander-in-Chief of India, a country in which our stakes are so great, a country in which so many Indians resided. What happens there? Unheard of things have happened there. You remember Abyssinia was conquered by Italy only four or five years back and still when the British Army entered there they found policemen doing their work such as controlling traffic in Addis Ababa. We know that in Singapore one of the terms of settlement was that the police would remain in control right up to the time that Japan assumed control of Singapore. But in Rangoon where Indian money was invested in the shape of house properties and other ways, the police retired from the scene 16 or 17 days before the advent of Japan. *Is it imaginable, is it believable? It looks like a story in the Arabian Nights, not a story of a Government functioning today in 1942.* As if this was not enough, you need must open the goal gates and the gates of the lunatic asylum and let loose all the culprits. The police go out, Indians are ordered to leave the country within 48 hours and these people are let loose and that action is taken by a Government which is so close to us as to be under the control of the Secretary of State for India and Burma. And this is not enough, Sir. There is a systematic destruction; the scorched earth policy is followed and goodness only knows whose properties there are burnt and whose properties are looted because there is no report.

THE HONOURABLE THE PRESIDENT: May I request you not to drop your voice so frequently? Sometimes you shout and sometimes you drop your voice immediately. I cannot hear your voice.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, it is a fact that in Rangoon the police retired 15 or 16 days before the advent of the Japanese. For four days there was neither civil control nor military control. 3 P.M. Military assumed control only on the evening of the 25th February and we do not know the exact date when the military retired leaving control of Rangoon to the hooligans. This is about property.

Now see how our life was taken care of by the Government of Burma and the Government of India. Sir, it is a long story and as you said that the matter has been discussed I shall only touch the broad points. The Indians who had evacuated from Rangoon were given no facilities for coming to India.

THE HONOURABLE THE PRESIDENT: Were you present when Mr. Bozman gave his explanation?

THE HONOURABLE MR. HOSSAIN IMAM: Well, I have read it, Sir. I would just remind the House, Sir, that Mr. Bozman recounted the story of how he saw an aeroplane coming full of Indians, but perhaps the House does not realise that this action was taken so late in the day as the 12th March, 1942. Before that there was no arrangement for the bringing in of Indians by aeroplanes. This arrangement for bringing our people from Burma has cost the Government of India Rs. 4 lakhs and odd thousands in the shape of further subsidy in addition to the Rs. 3 lakhs and odd thousands, that was given to Indian Airways. We have given this further subsidy of Rs. 4 lakhs and odd thousands that is Rs. 38,000 a month.

Mr. President, in our own country we do not only play a second fiddle but we are treated as if we were nobodies. I had intended, Sir, to read over portions from the statement of Mr. B. J. Marathi, the Special Evacuation Officer of Chittagong from the evidence which he took, but I think that I have not the time to go through this matter further. I have to revert to what our people who have come back from Burma and those who are left in Burma want us to do and I think they have a right to demand that their mother country should behave as is expected from a mother country to behave; it should not be a step-mother.

I want, Sir, that every facility should be given to every Indian who wants to leave the country to come back to India. The Government should provide those who cannot afford to have a living of their own with help to start them on their legs again. I want, Sir, that those Indians who are left in Burma, their life and property should be guarded by the Government of India, they should not be left in Burma as if they had no one to champion them. Our armies are fighting in Burma and yet our men are to be treated as if they were of no consequence.

I would ask, Sir, that the Honourable Mr. Aney should try and get the Provinces to make the necessary provisions for the long-term settlement of the evacuees, as that is the work for the Provinces. Only as far as the immediate need is concerned I hold the Central Government responsible, but for a long-term settlement and long-term arrangements it is the Provincial Governments which are primarily responsible.

If we have an Agent in Burma who has sympathies with Indians I would prefer a non-official Indian, Sir, as Protector of Indians because I am not going to deal further with the incidents which were reported in the Assembly as well as in the discussion in this House about the treatment which our Agent has meted out to Indians. In any responsible Government a man of that kind could not have been tolerated for a day.

[Mr. Hossain Imam.]

Sir, then the Honourable Mr. Jones should also treat these people as they should be treated in justice and equity. They have lost their capital; they have lost their all, they are in difficulties and still the Department of Income-tax is demanding returns from them, demanding payment of income-tax from them. Is this the treatment which you should give to these people? It is better that a few people should benefit, illegally benefit, rather than that you should make the vast majority who are real and genuine sufferers, suffer more by exactions of your Department. I think, Sir, that it is not only mercy but it is justice that the income-tax demand should be suspended for the present and afterwards when you have made inquiries and come to definite conclusions they might be given reliefs to which they are entitled, but that is, Sir, a matter for consideration in future. For the present bare justice demands that you should suspend your demand for income-tax and for returns of incomes.

Sir, I have now concluded the second part of my speech. I will now come to the third part, in the part which my Honourable colleagues to the right take a great deal of interest. Sir, I think charity should begin at home. *Those who lecture to the Imperialists to surrender power and to make genuine transfer of responsibility should first try to work upon that principle themselves. The tyranny of the majority which wants to rule the minority, whether it wants to remain under that rule or not must be ended.*

THE HONOURABLE THE PRESIDENT: Mr. Hossain Imam, don't you think that at this stage of the debate, and at this time particularly, all these things ought to be avoided in order that there may be mutual co-operation, good feeling and sympathy, and that we may be able to solve our difficulties? I would advise you, therefore, not to enter into these controversial subjects.

THE HONOURABLE MR. HOSSAIN IMAM: I am grateful to you for this advice, Sir, but we found that my very dear friend Mr. Sapru flared up—

THE HONOURABLE SIR DAVID DEVADOSS: Is that any reason why you should flare up?

THE HONOURABLE MR. HOSSAIN IMAM: I am not flaring up.

THE HONOURABLE MR. P. N. SAPRU: On a point of personal explanation, Sir. I did not attack the minorities at all. I never said that they should not have reasonable protection or that we should not compose our differences in a reasonable spirit. I only referred to the statement of a particular League leader. I was entitled to comment on that.

THE HONOURABLE THE PRESIDENT (to the Honourable Mr. Hossain Imam): I appeal to your good sense not to go into that at this time.

THE HONOURABLE MR. HOSSAIN IMAM: I am not going to deal with this point at very great length. But, as I said, charity should begin at home. *The thing which put my friend's back up was that we were not prepared to be slaves of the Hindu majority. We will never accept that. We will fight it. We will die for it.*

THE HONOURABLE MR. P. N. SAPRU: Die for the Hindu majority?

THE HONOURABLE MR. HOSSAIN IMAM: Die rather than allow them to establish their supremacy. You can accept that from me.

THE HONOURABLE SIR DAVID DEVADOSS: We will talk of dying after passing this Bill!

THE HONOURABLE MR. HOSSAIN IMAM: What was the thing which put the Honourable Mr. Sapru's back up? I was present at that huge meeting last night. We sat till about 12-30 A.M., Qaid-a-Azam's only demand was that he will not accept subjugation. He does not want to rule over you. You want to rule over Pakistan. But we only say, "Baba, we have no confidence in you; your record has been bad enough formerly; please allow me, under the Shastras, to have a partition suit and to take my share and live in peace and amity". But the big brother is not content with giving us the share to which we are entitled under the law. He needs must insist on joint family property remaining with him to mismanage.

THE HONOURABLE THE PRESIDENT: Under which law?

THE HONOURABLE MR. HOSSAIN IMAM: Under the present Anglo-Hindu law. We are in the Hindu country and we are prepared to abide by the age old provisions there are.

THE HONOURABLE MR. P. N. SAPRU: I am glad I have converted you to our faith.

THE HONOURABLE MR. HOSSAIN IMAM: I want my friends to understand that flaring up, getting into a temper and saying wild things, do not help to compose differences, but will simply accentuate the position. *Even at this moment, when the enemy is at our doors, you are intolerant and cannot stand a modest demand for free self-determination.* You ask Europeans to hand over power to you but you are not prepared to give the same power to those who fortunately or unfortunately do not agree with you. Is that the way in which you will get the freedom of India? You cannot do greater harm than by attacking our leader. Consider the position. My friend flares up at Mr. Jinnah. But Mr. Gandhi can, with immunity, preach opposition to the war on the plea of freedom of speech and yet he is to be revered and his opinion is to be treated with weight. Mr. Sapru said that he does not agree, but he does not find fault with it. A party leader can remain in Axis countries and give broadcasts, and members of that party can form His Majesty's Government in a province and there is no fault found with that. We do not attack that. In my friend's politics there are things which plain English does not express. For instance, it is difficult to understand no-party leadership. How could you have a leadership without a party? But we have that. A man can belong to a political party and yet in his individual capacity can join the no-party conference. These are the things which not only those outside the Congress do, but even in the Congress there are people who do such things and they are incomprehensible to us who know only the ordinary plain meaning of English words. I know what my friend Mr. Sapru refers to. There has been a repudiation by some men that they do not belong to the Subash party. But simultaneously with that, perhaps you will remember the pilgrimage which the two Ministers made to Madras to see the present leader. There are things which are incomprehensible. I plead that I cannot understand. I do not understand the politics of my Honourable friends, but I can say this much that I do not refer to any particular individual, Sir. I refer only to what is happening in the country. Sir, we have had enough of this quibbling. Now let us come back to the main issue before the country today. The main issue before the country today is, what is to be the future of India? The future

[Mr. Hossain Imam.]

of India can be darker still than it is at the present moment, and it can be bright as a star. If the Japanese come, it will be a gloomy day. As my Honourable friend Mr. Sapru said, it will be a negation of everything democratic—

THE HONOURABLE THE PRESIDENT: Then why not settle amongst yourselves?

THE HONOURABLE MR. HOSSAIN IMAM: That is what I am going to urge, Sir. There is the possibility of there being no compromise with the ambassador of Britain. Even then, the prospect for India will be gloomy enough, because these are days of total war, total efforts, total organisation and full, complete and single control of production, which only a true national Government can do. Bureaucracy has failed to do it and the pseudo-national Government which you are forming will fail to do it. The only salvation of India lies in there being a settlement. Here there are three parties. The British who have the power to give; the Congress, I will not refer to Hindudom, but Congress which is the most powerful organisation of non-Muslims and which is also the oldest and best organised party; and the Muslim League. (*Inter-ruption inaudible.*) Well, Sir, the Government of India by the presence of eight Indians in it has not ceased to be a British Government of India. Are you prepared to say the Britishers have retired because there are eight *versus* four in the Cabinet. I am really surprised that the Honourable Mr. Mahtha makes the suggestion. A single swallow does not bring spring. I was saying that unless the Government and the Congress and the League come to a settlement there can be no peace. I would appeal to all the three to forgive and forget, to try and work for the betterment of India and to sink as much of their differences as they possibly can. But there must be no dictation. Let us join together for the purpose before us and join with a clear intention of working for the best interests of India. It is only if you are prepared to come to an understanding with the people of India that you can save India. In these days of total war hanky panky measures will not see you through. Look what happened in England. Why did the Chamberlain Government resign? His hold on the Conservative Party, the party in majority, was so strong that Honourable Members will remember that he remained the leader of the Conservative Party in spite of his resignation from the Premiership and Mr. Churchill did not get that position even though he assumed the Premiership. It was because the common people were not willing to uphold Chamberlain's Government that that Government had to go out. Similarly, if you just wish to make a show of having Indian Members of the Executive Council there is no one to prevent you from doing it. You can ignore the Congress, the Muslim League and everybody. You can have a Government of your own. You can ignore the League and form a Government with other mushroom organisations of those self-seekers who are today in this organisation and the next day in another. You can have that, but will they be able to deliver you the goods? You want total effort. You want India to realise and to fight to the last man as they are doing in China. That can only happen if its trusted leadership is at the helm of affairs.

THE HONOURABLE THE PRESIDENT: There are several other speakers to follow. With this morning's continuation you have spoken for nearly an hour and a half.

THE HONOURABLE MR. HOSSAIN IMAM: Mr. President, I shall now close my remarks. I have many things more to say but as the time is short I will not go into them.

The Government must realise that domination is at an end, and surrender must be the keynote of their policy. But realise this, Hitler is calling for a New Order, Japan is asking for Co-Prosperity—

THE HONOURABLE THE PRESIDENT: And you must adopt the same policy.

THE HONOURABLE MR. HOSSAIN IMAM: I say that you were also called upon to issue an Atlantic Charter, but you held that India was not subject to it. A humorous reference was made in the Assembly that if India comes under Germany it will be entitled to the benefits of the Atlantic Charter and not before that. That was the statement made by Sardar Sant Singh. I said that you also felt called upon to make an announcement. *Now the necessity is that there should be no announcement but action, the surrender of power not only by Englishmen to Indians but also by the majority to the minority communities, from the capitalists to labour; and we must have a new world, a new order based on equity and justice, an order which Indians would feel proud to live in.* It is only the establishment of an order of that nature that will bring out the effort needed to carry on this war.

Sir, it is known that my party has decided to oppose this Finance Bill. The Nawabzada Liaquat Ali Khan in his lucid speech has clearly stated the reasons for the decision which we have made. I am not going to traverse that ground again because the time is so short, but I may say that opposition does not mean that we are opposed to the war efforts. We are opposed to the present executives.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I only wish to take the time of the House for two or three minutes because I think it is right to make some explanation in connection with the remarks which were passed by my Honourable friend Mr. Sapru this morning when he drew attention to the absence both of myself and of my Honourable friend the Commerce Member from the House at the time when he wished to elicit some information on a matter which he felt concerned us. The excuse for our absence on that occasion and equally yesterday morning must be, Sir, our extreme preoccupations with urgent affairs of State, and the business in question brings me to my answer to certain remarks which I am told were made yesterday by my Honourable friend Pandit Kunzru regarding the wheat situation. He, I understand, expressed anxiety to be assured that the Government of India was laying its plans for the coming crop year in good time so as not to be caught half way through the year with an unsatisfactory position. I can assure him that we are giving that matter our very close and earnest attention, and it was in connection with discussions on that very subject that I unfortunately found myself unable to be present in the House during the times to which I have made allusion.

My Honourable friend Mr. Sapru wished to know something, I understand, about the American Technical Mission. The American Technical Mission is just about to arrive here in order to see what assistance they can give India in keying up the Indian war potential to the maximum for the purpose of the prosecution of the war. For that reason the subject of the Technical Mission's work is a matter primarily the concern rather of the Supply Department than of the Commerce Department, and I am afraid I am

[Sir Alan Lloyd.]

not in a position to speak at great length upon the subject. I gather, however, that there might be some anxiety felt as to whether there were implications of a long-term character in this visit and I can say safely that there is no reason to apprehend anything of the kind. The work of the Mission can, I think, be conveniently divided into two parts; firstly, attempting to help us to supply the maximum of the materials for war which we ourselves produce, and secondly, to see whether the manufacture of finished armaments and other industrial products used in war can be, at short notice, stimulated with American assistance in this country in order that the demands which this country as a belligerent is making upon America as an Ally for the shipment of those products may be reduced, with consequent lessening of the pressure of demand upon American industry which in spite of its colossal dimensions is heavily burdened with its own preparations for war and in order also to do something to relieve the pressure which is now almost unbearable upon shipping space. The problems that will be faced are short-term problems and I feel that India instead of being suspicious of the motives of this visit—I do not suggest that suspicions were entertained by my Honourable friend, but certain persons speaking in the other House have expressed their suspicion—I feel that India should not be suspicious but should be grateful to America for offering assistance and sending these visitors to see how they can render assistance.

Coming to a different subject, Sir, I again unfortunately was absent, but I am told that yesterday my Honourable friend Sir Ramunni Menon spoke about the Reconstruction Committees and wished to know whether these committees would confine their attention to economic conditions or whether they would extend their activities to cover other departments of national life and in particular, I understand, health and education. Well, Sir, it is perfectly true that the Reconstruction Committee which have been set up were set up primarily to deal with economic problems. I would invite attention to the Press Note which we published in June, 1941, when these Committees were set up. The opening words of that Press Note drew attention to the great and steadily increasing dislocation of economic, and particularly industrial, conditions caused by the war and to desirability of avoiding an equally great but more abrupt dislocation of these conditions if on the return of a state of peace we were found unprepared. I do not think I can very well improve upon those words as a short statement of the objects for which the Reconstruction Committees have been set up and it will, I think, be agreed that committees set up to discuss problems of that kind will not ordinarily, except perhaps indirectly and remotely, be able to deal with questions such as those of health and education. I would submit to my Honourable friend that there is great force in the word "reconstruction". So far in India as a whole—and we hope this will remain true throughout the war—we have not had that violent dislocation of governmental and other inevitable in matters of public health and public education which has been "reconstruction" would hardly be appropriate to committees or investigations directed at long-term planning for that progress which we all wish to see in these matters of health and education after the war. So far as the Commerce Department is concerned, that Department may readily suggest that inquiries of that kind should not be regarded as part of the problem of reconstruction which is essentially an economic problem, but, desirable as they may be, should properly be dealt with on other lines.

There was one matter also that perhaps affects my Department that was mentioned by my Honourable friend Mr. Mahtha. He made the suggestion that an office should be opened, and I think he suggested that it should be opened by the Commerce Department, in which those who have lost their property in Burma and other countries occupied by the enemy might register their claims with a view to their consideration when happier conditions return. I do not wish to say anything about the merits of that suggestion, but I only wish to point out that if such an office were opened and it were attached to the Commerce Department, that must be a mere matter of machinery and procedure, but that the question of recovery of claims in respect of damage suffered in other countries is not in principle a matter for my Department; and I will therefore respectfully suggest that that point should be treated as part of the general question of compensation and relief which will, I think, be dealt with on broader lines by my Honourable friend the Secretary in the Indians Overseas Department.

THE HONOURABLE MR. G. S. BOZMAN (Secretary for Indians Overseas): Sir, I wish to be as brief as possible as it is now late and I hope to traverse quickly the various points raised which affect the Department of Indians Overseas. I listened with interest to the speech of Mr. Hossain Imam. I fear that the version of my previous statements which he said he had read must have been very incomplete as it was obvious that a number of the points to which I had previously referred had escaped his notice. I also found some difficulty in what he said in determining whether he was really ascribing responsibility to the Government of Burma or His Majesty's Government in the United Kingdom. I think therefore it will be convenient to the House if I turn to specific points raised by my friend Pandit Kunzru and one or two others earlier in the debate.

I shall mention first the possibility of evacuation from Ceylon. I should explain exactly what the position adopted by the Ceylon Government is. The Ceylon Government have not issued any instructions for general or partial evacuation on, as it were, national lines. The Ceylon Government have said that all non-residents in Ceylon should leave Ceylon as early as possible; but with regard to residents in Ceylon they have said that all women with children who are non-Ceylonese and are not employed in work essential to the war effort are advised to take steps to leave Ceylon at their earliest convenience, but no compulsion is brought upon them. That being the position, we feel that having seen what occurred in other places the time has arrived for preparations to be made for considerable movements from Ceylon towards India. We have therefore communicated with the Madras Government and with the railway authorities concerned and we are now in constant communication with our Agent in Ceylon in order that all preparations that can possibly be made are made in advance to assist a possible large flow of refugees from Ceylon into India.

Now, Sir, I turn from Ceylon to Malaya. I have very little to add with regard to Malaya to what I have said on previous occasions. I have, however, two small points to mention which were raised by my Honourable friend Pandit Kunzru. He spoke of free passages having been supplied for European evacuees from Singapore whereas all Indian evacuees had to pay for their passages. It is clear that we cannot get a final decision as to whether or not that allegation is correct but I may inform the House that this has been specifically denied by a gentleman who returned from Singapore. Further than that I am not prepared to go. We have also had mentioned the apparent discourtesy with which a ship of refugees was received in Batavia both by the

[Mr. G. S. Bozman.]

authorities of the Netherlands East Indies and by the British Consul. There again I have been unable to obtain any further information than the statement made for obvious reasons, but all these points, including the point made about the Europeans having had free passages provided for them, have been placed before His Majesty's Government for consideration when circumstances permit.

I should also like to make one further reference with regard to Malaya, since it was referred to by Mr. Hossain Imam. I am a little surprised that he read out Mr. Jumabhai's statement that the Government of India had made no reply to the request for assistance. It was explained to Mr. Jumabhai in person here in Delhi that in fact a reply was sent. That reply probably did not reach Singapore, but a reply was sent and I think it is a little unfair in those circumstances to charge the Government of India, as Mr. Hossain Imam did, with lack of decency.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: When was the reply sent?

THE HONOURABLE MR. M. S. ANEY: Within 24 hours of the time when we received the telegram.

THE HONOURABLE MR. G. S. BOZMAN: Now, Sir, I shall turn to Burma. My friend Pandit Kunzru related the information that had reached him and expressed the hope that I should be able to tell the House that things are a little better than had been reported to him. I think I can say that things are a little better.

With regard to camps inside Burma and provisions inside Burma I have two reports, not of very recent date, but possibly of more recent date than the information which was given to Pandit Kunzru. On the 27th of last month our Agent reported to us that camps and food had been organised along all the land routes inside Burma. He went on to say that these camps were necessarily at that time of a somewhat primitive character. On the 5th of March, roughly a week later, the Burma Government reported to us that they had appointed additional officers along the routes, that they had sent additional medical personnel, that they had organised convoys of women and children, and that they had organised local committees at towns through which the routes pass to advise refugees, that they had established rest camps with supplies also, and this covers another point raised by my friend, that all district officers along the routes had been informed of the stories told by refugees of their experiences. In other words, district officers throughout the route had been instructed what difficulties they should attempt to overcome on behalf of the refugees and, a day later, Mr. Hutchins reported to us on the 6th March that the Burma Government were making the most strenuous efforts to inoculate all refugees at headquarters camps before they started on their long road journey. I shall refer later to one more point with regard to the camps in Burma but I think I had better go straight to the roads which come into India from Burma. As I explained the other day there are different routes. Camps are provided for all people at convenient stages along all routes up to Imphal in Manipur and the number of Indians now proceeding along the road from Tammu to Imphal is 1,500 a day. It is hoped that that number will be doubled within the course of a few days more. The reason why the number cannot be doubled now is that the alternative route from

Imphal onwards is not yet completed but camps are now being organised with stocks of food, water and medical supplies along that route. As soon as that route is opened and as soon also as additional transport accommodation has been provided the numbers can again be increased. I should like to inform the House in that connection that Major-General Wood, the officer in charge of the construction of the military road has arrived in Delhi this morning and that the Honourable Member in charge of this Department will be conferring with him tomorrow with regard to all arrangements necessary to assist refugees to come out from Burma.

Pandit Kunzru asked me what had been done with regard to supplying refugees with information regarding the route they had to travel. I have mentioned what the Burma Government have done with regard to their own district officers. I have in front of me a copy of a statement, rather a notice, issued by the Deputy Commissioner of Prome with regard to the Prome-Taungup route and I have a copy also of a map, as it were, of the northward route issued not by the Burma authorities but by a private Muslim Association at Monywa. Whether the Burma Government have now been able to issue pamphlets or guides for the journey I have not yet been able to ascertain.

Pandit Kunzru also referred to the necessity for providing more railway staff and accommodation at rail-heads in India. That is a matter which has already engaged Major-General Wood's attention very closely as it concerns both the military aspect and the refugee aspect, and I can assure the House that that is not a matter which is being overlooked. It will also be necessary, when the alternative route from Imphal is open, to provide extra accommodation of the same kind at Silchar as well. It was suggested that we should have our own representative at Tammu. We have our own representative, Mr. Higgins, in charge of the whole route between Imphal and Tammu and I shall be greatly surprised if he has not spent a lot of his time at Tammu. That however may not be enough. He has a non-official Assistant. He has also a police officer assisting him. That again we have not thought enough because it appeared to us, as suggested by Pandit Kunzru, that it was necessary for someone to be able to speak to the refugees in their own tongue. We have sent three Deputy Collectors and four Inspectors of Police, kindly lent to us by Provincial Governments in the South who speak Telugu, Oriya and Hindustani.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: When were they sent?

THE HONOURABLE MR. G. S. BOZMAN: I shall have to verify the date. It was a few days ago I think but I am not sure that they all started at once. Their services will be utilised in Assam or in Burma on the road according as Mr. Higgins might think that they will be most usefully employed. We have also obtained with the assistance of the United Provinces and Punjab Governments a party of 150 police from India who will also be placed at the disposal of Mr. Higgins for use whether in Burma or in India as circumstances demand.

The Honourable Pandit Kunzru also suggested that I should be relieved of my work in my office for a period of about three weeks and accompany two members of the Standing Emigration Committee to Tammu. Personally, there is nothing that I should like better. I cannot at this stage say whether the proposal is one that can or cannot be accepted, but it is one to which we shall certainly give the most careful attention. Finally, I was asked, as I

[Mr. G. S. Bozman.]

was asked the other day, to give the figures of evacuation by air. There again, thanks to some interruption in communication with Burma, I cannot give the figures of Europeans and Anglo-Indians separately. The total number evacuated during the last fortnight by air is approximately 3,000 and, as I said before, I think that indicates efforts on the part of the Chinese National Airways Company and Indian National Airways Company for which we should be grateful.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is the Honourable Member now in a position to tell us whether the Air service was used in the first instance for the evacuation of Europeans and Anglo-Indians exclusively or mainly ?

THE HONOURABLE MR. G. S. BOZMAN : So far as the Government of India are concerned, the aeroplanes supplied to the Government of Burma for the purpose of bringing out evacuees were specifically supplied for the use of all without respect to race or creed or caste. I am informed that a private charter was arranged before the Government of Burma scheme was put into force.

Other speakers referred to the charges of racial discrimination which have been brought by those returned from Burma. I have said it two or three times—I can only repeat it—that the Government of India have set their face against racial discrimination, and I believe I am not wrong when I say that every Member of this House, of any race, would regard racial discrimination in a matter of this kind as unworthy. I should, however, make one plea in this respect, and that is, that the stories of racial discrimination should in the first instance be treated with discrimination, not racial discrimination. I mention this because a charge was brought in this House the other day against a British officer of the Government of India, and I then asked that I should be supplied with the evidence upon which the charge was brought. I regret to say that the evidence has not reached me. In the meantime, I have made my own inquiries so far as possible, and so far as the meagre information supplied to me made possible. I have received a statement from the officer concerned to the effect that he was involved in no such incident nor can he connect the allegation with any incident which came to his notice. I say, then—

THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN : As far as that is concerned, I have asked the gentleman who was a passenger on that steamer and from whom the information came—I have also informed the Honourable Member the very reliable source from which the information came to me. I am trying to get the written statement of that gentleman, who was a passenger in that steamer.

THE HONOURABLE MR. G. S. BOZMAN : I should be grateful if the Honourable Member will forward to me as early as possible such information as may come into his possession. I note only that the charge was made some five or six days ago and I have not yet been informed of the basis of the charge.

Certain other points were raised,—relief with regard to income-tax, compensation for property lost or destroyed and the method for recovering investments in Burma. These are matters which will be given careful consideration by the Government of India, and I can state now that they will be considered with the utmost sympathy. On one point I can give the House

a little information. The Burma-Indian Delegation, which is now in Delhi and which, I believe, is shortly forming itself into an Association, interviewed me yesterday and they made an offer of their services with regard to all persons from Burma who had sums owing to them by the Burma Government. Any such Indian can send a statement of his claim to the Burma-Indian Delegation and they have very kindly promised to make lists of these claims and forward them to my Department where we shall put ourselves in touch on their behalf with the Government of Burma.

I do not wish, Sir, to prolong the statement I have made today. I have recently made two statements, one in the other place and one here, with regard to the policy of the Government of India and the Honourable Mr. Aney is now here today to tell the House in his own words what his policy is.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : May I know if the Assam Government has appointed any planter or the wife of any planter to look after Indian evacuees ?

THE HONOURABLE MR. G. S. BOZMAN : I believe, Sir,—but I have not got the reference here with me,—that planters are engaged on constructing the camps along the over-flow road from Imphal to Silchar. Whether their wives are in charge of the camps in any respect I am afraid I am not in a position to say.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadian) : Sir, yesterday I had no mind to speak on the Finance Bill owing to my present state of health, but I want to make only a few observations which have been necessitated by the remarks of some of my Honourable Muslim friends. This is a time when no useful purpose can be served by raising communal issues or by Muslims regarding themselves as separate nation. They must regard themselves as members of one family and have their share due to them in the new constitution. Yesterday my Honourable friend Mr. Muhammad Husain described Mussalmans as a separate nation. I cannot understand how Mussalmans in India are a separate nation. As far as my information goes and from what I know of the past, even in the reign of the Moghal Emperors, the Mussalmans had better relations with Hindus in India—

THE HONOURABLE THE PRESIDENT : Please do not go into communal questions at this stage. Avoid it as far as possible.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : I am advocating universal brotherhood. Even with some sacrifice, with a goodwill mission, we ought to promote brotherly feelings and not take any steps which might widen the gulf between the Hindus and Mussalmans. I simply want to tell the House that 98 per cent. Muslims in India are converts from Hinduism. There is only a very small percentage of 2 per cent. Mussalmans who did migrate into India from other countries. I have got my best friends also in the Mussalman community and I know of a number of families who have been dealing and are even now dealing on the basis of universal brotherhood with other communities.

[Rai Bahadur Lala Ram Saran Das.]

Then comes the question of extending full co-operation to Sir Stafford Cripps. We should warmly welcome him and extend him all the co-operation that we can, and, as has just been said, instead of widening the gulf by brandishing aloft Pakistan and other schemes, we should get together. As far as I know, the Hindus are quite prepared, but no one can expect co-operation if the country is to be divided up into pieces on a purely communal basis. Sir, I will not deal with other aspects of the budget. I simply want to appeal to all Muslims to promote brotherly feelings that as this is the time of war fullest co-operation is necessary. Suppose a Hindu becomes a Muslim, does he thereby become a member of another nation? I cannot understand how that idea of a separate nation can be justified. Then, Sir, my Honourable friend Mr. Muhammad Husain also observed that there is no such thing as a Hindu religion. Nobody will agree with him in that. I know that in the first constitution of reforms the word "Hindus" has been eliminated and for it "non-Muslims" have been substituted. I do not want to go into these details and discuss justification or otherwise of this change. All that kind of unfortunate controversy should cease and we should act like brothers and try to help Sir Stafford Cripps in his goodwill mission to solve for ever this constitutional deadlock in India.

Sir, my friend Mr. Hossain Imam also observed that the policy of Supply Department is responsible for rising prices of potatoes. Perhaps my friend does not remember that prices are always controlled by demand and supply and higher the price better for the agriculturist. If the supply is more than the demand the prices fall; if the demand is more than the supply the prices go up. As far as my experience and information goes, the present Supply Department has improved matters a great deal and has effected a great deal of economy.

I want to deal now with the composition of Civic Guard. They are at present recruited without an inquiry into the antecedents and past career of persons enrolled. This is a very important matter. My information is—and if I am wrong I may be put right—that a number of ex-convicts and bad characters are joining the Civic Guard. It is very necessary that this should stop forthwith if my information is correct.

I do not want to dwell on the subject of the policy of our Party on voting on the Finance Bill. That has already been explained by the Honourable Pandit Kunzru and I need not repeat it. The members of our Party have decided not to oppose the Finance Bill but to remain neutral.

THE HONOURABLE MR. M. S. ANEY (Indian Overseas Member): Sir, it is always a great pleasure to me personally to be present whenever an important debate in this House takes place, because I know there are here some of my well-known friends sitting on any one of those Benches opposite who are known for their close study of problems with which for a few months past I have been called upon to deal in my capacity as Member for Indians Overseas. And therefore it is always interesting and instructive to listen to criticisms coming from men who have made a very careful and special study of those problems. But I was of opinion that I should be here only to listen to what is being said by them and I have left the work of explaining the position of the Government in regard to all these matters to the able Secretary who represents my Department in this House. He has been doing that work very satisfactorily for all these days and there was no need for

me to add my voice in support of whatever he has already said. But the last time I was here I went away when he was making his speech. It was considered by some of the Members as something amounting to lack of courtesy on my part to the Honourable Members of the House. This time I thought I should not be guilty of that. I thought my case was left in able hands and there was no need for me to do anything more; but if there is any justification for me today to speak it is not because there was anything very important not said by Mr. Bozman, but because I want to show that my own personal sentiment is entirely in accord with the sentiment of the Honourable Members of this House. The honour of this House is a matter of deep concern to me and if any act of mine has smacked of any discourtesy I tender an unqualified apology to the Members of this House.

Coming to the specific points raised by some Members, I must first confess that my duties required me to be elsewhere when most of the speeches which had some bearing on the problems of the Overseas Department were discussed here. I only heard a fraction of the speech of my Honourable friend Mr. Hossain Imam, and the points that he has dealt with have been already dealt with by Mr. Bozman. It is true that cases of racial discrimination have been very prominently brought to the notice of the public and the Members of this House. I am the last man to deny that such a thing has taken place. I made a statement to that effect and nothing has pained me more, as representing the Government of India, than that such things should have taken place at a time when the need for harmony and concord, for mutual understanding and co-operation between all sections of the people, British and Indian, is so paramount. I make no attempt to explain away those things, but I want to say a few words which I believe Honourable Members will show me the indulgence to listen to with care. The most annoying case of discrimination that we have had reference made to so prominently is with regard to the evacuation of European officers and population from Penang. It was that case which has been pointedly referred to in the press and which was also most severely criticised by Mr. Jumabhai and others. It was a most deplorable event, and Honourable Members will probably feel some satisfaction when I say that even the Governor of Malaya thought it necessary to express his regret at what was done at Penang by the European officers. He has explained at a Conference his own position and has expressed deep regret that such things should have taken place. The Government of India really feels distressed that a thing like that should have taken place in a place like Penang. But I want Honourable Members to understand what is the precise scope and functions of the Indians Overseas Department. The Department is no doubt there to look after and watch the interests of Indians overseas within the Empire and now for certain purposes even outside the British Empire. It has been our standing complaint that the interests of Indians are not being properly and justly dealt with by some of those Colonial Governments and Governments which are not self-governing Colonies but in the nature of Dependencies and so on. The Indians Overseas Department, along with the Indian public, have been protesting against that policy and trying to see if a change could be brought about. It is well known that no change was really brought about when the Indians Overseas Department was taken charge of by me. We were only fighting and in the meantime the war broke out in the Far East and if we find that those people have forgotten their real obligations to the people of India at a time like this and succumbed to their unjust instincts in this matter, it is a matter for condemnation by both the Government of India as well as the people of this country. You cannot condemn the Government of India unless they feel on this matter in a manner

[Mr. M. S. Aney.]

different from you. All it can do is to lodge a protest against the particular Government whose people are found lacking in courtesy and even humanity to the people of India and in meting out proper treatment to them. In this connection you are also to bear in mind that as regards the incident of Penang it is connected with the Government of Malaya. Today the Government of Malaya does not exist. Our protest is only a matter of record and in that I assure this House we have not failed. We have made our protest with the proper authority. And neither the Government of Malaya nor anybody else can be condemned, unless the matter is thoroughly investigated into for the purpose of finding out the extent of guilt of anybody. Till that time we have to wait and rest content with the fact that those who are responsible for the people of India have done their duty in lodging a complaint at the proper place. That thing we have done. It is a pity that the same thing can be said about the treatment that was meted out to certain Indian passengers—evacuees in a ship. They were not allowed to get down on the shores of Java, Batavia, or some other places. The same position is there. Therefore all those incidents which indicate that the Indian people are treated contemptuously and unjustly by Governments which are now no longer in existence or which are more or less on the point of being liquidated are matters in which we have to be content with expressing our indignation at what has taken place. I am glad that the expression of opinion here will strengthen the hands of the Government of India in putting forth the Indian case before the proper authority with all the emphasis that I can command.

Now, coming to matters nearer home, the evacuation from Burma, it has been very frequently stated that no arrangements were made for their evacuation at an early stage. Now as soon as we found that there was a danger of an invasion of Burma we took the earliest steps that we can of requisitioning every ship that we possibly could for helping the evacuation of the people by sea. The people were anxious to go by sea and not anxious to go by the land route which was more troublesome and which required a very long journey to be made under most trying conditions. In this matter in co-operation with the Defence Department we tried to bring as many ships as we can. A large number of persons have taken advantage of those facilities and have actually come to India at different ports. It may be that in the case of giving facilities, probably some local officers may have shown discrimination. But when a general charge is made it is very difficult. Unless specific instances are given we cannot pursue the inquiry and bring home the offence to the proper offender. Wherever any allegation like that is made, we try to get details. The Honourable Mr. Muhammad Husain who made a speech the other day will certainly oblige us by giving the necessary details, the name of the ship, persons concerned, and so on, so that we may on that evidence see whether there was any responsible officer whose duty it was to protect the interests of the Indian people there who was himself guilty and whether the Government of India could deal with him in the proper way. No man can be punished unheard, no man can be dealt with without a proper charge being framed—a charge which one can understand and answer. That is the reason why we insist upon him to give us the necessary details. It is true that many people have made a complaint that a certain route is open to Europeans only. Honourable Members know—and I think that Mr. Bozman has explained at length—the two routes which are being mainly used by the Indian evacuees for coming down to India, one being *via* Manipur and the other *via* Tongpu. These are the two routes. As regards the question of using the Manipur Road, you come to Tammu, a frontier place, and from

Tammu to Pallel there is a certain section of the road which is under construction or repairs. Honourable Members of this House ought to know that that is also a road required for essential military purposes. So the Defence Department is busy in constructing that road and the sooner it is constructed the better. It is in the interests of India's defence and also in the interests of taking our supplies to China which is our ally fighting on our side. The military importance of that road cannot be neglected and if speedy construction requires that it should be sparingly used and not used indiscriminately, supreme military necessity has to be taken into consideration. We have to submit to their decision. But a diversion has been made by which, as Mr. Bozman has informed the House, something like 1,500 people are being allowed to go every day. The latest information in our hand is that along that route certain camps have been established, facilities for food supply and conveyance have been arranged and passengers can leave by lorries. Now it is true that people wish to come in larger numbers, but a limit has to be imposed in view of the facilities which we can give at the other end. If the capacity of the lorries is 2,000 people it is no use allowing 5,000 people who will unnecessarily come and overcrowd at a point where it will be impossible to make proper arrangements for food. It is better to keep them at a camp where arrangements can be made for them, so that they can complete their journey without trouble. This is a matter which the local officers in charge have to bear in mind. Of course there are also the difficulties arising out of that. I am not going to say that there were no cases of discrimination at all. I am not in a position to say that. I can only say that I have heard a number of instances but we have not yet come to a point where the particular cases mentioned could be considered as definitely proved.

Now leaving the question of racial discrimination one more point I want to bring to the notice of Honourable Members. I want Honourable Members to look at this thing from a humanitarian point of view. It is a work of mercy, an act of mercy. Thousands of people have suffered on account of certain unforeseen things taking place in Burma and have had to go through miseries, and we have to look after their comforts. It is an act of mercy that we have to do and therefore this act is one in which the co-operation of every people, every man, is necessary. I am glad to inform the House that there are non-official agencies in Calcutta and other places which have done splendid work and whose co-operation has enabled the Government of India to do their work much better than they would otherwise have been able to do by themselves alone. I also wish that their example is largely imitated by similar agencies in Assam also. The Government of India has been giving the evacuees free railway fares; they are prepared to feed them also but non-official agencies are doing this work we do not want to encroach upon what they are doing in a better way. With regard to medical assistance we have said that if the assistance now given is not found sufficient more assistance can be sent. There is no doubt that with the co-operation of the people this most troublesome problem, which is bound to attract our attention more and more every day for some time to come, has to be tackled by us. I am sure that the Government of India with the help of the people will be able to do their utmost to minimise the miseries through which these unfortunate people have to go. So far as the policy of the Government of India is concerned I think I have said enough to indicate what the nature of that policy is and there is no other specific point with which I think I should deal. I do not want to deal with matters which have been touched and dwelt on by Mr. Bozman. I only wish to say that any criticism of the measures

[Mr. M. S. Aney.]

taken by the Government of India will be welcome to me because that might enable me to warn the officers who are in charge of it as to what is the proper thing for them to do and see that best comforts are given to the evacuees.

One more point, which my Honourable friend Pandit Kunzru raised and to which reference was made by Mr. Bozman, was the suggestion that some responsible officers of the Indians Overseas Department should go with a few members of the Emigration Committee. That is a suggestion which I think I can assure him will be considered very seriously. Let me tell him that I am a great believer in supervision. That is the reason why I had sent from my office Mr. Pai to go and visit certain ports and inspect the arrangements made at two or three important ports for the benefit of the evacuees. He went to Madras and Calcutta and as far as Chittagong. Then a few days after Mr. Bozman himself went and visited Chittagong and saw the arrangements made along the route *via* Akyab which runs from Burma and he has brought a good deal of information and made the necessary suggestions to all those who are concerned and engaged in that kind of work on the route.

Now, Sir, soon after the Assembly session is over and that immediately we are free, either myself or my Secretary or some other responsible officer will be going personally and seeing the arrangements for themselves with such number of the non-official members as on later consideration we might think it possible to have. For me to say anything more than that would, I am afraid, be in the nature of a mere repetition of what Mr. Bozman has already said. I am grateful to the Honourable Members for showing me the indulgence to listen. (Applause.)

THE HONOURABLE MR. C. E. JONES (Finance Secretary): Sir, it is my duty first to convey to the House the extreme regret of the Honourable the Finance Member that he has not been in a position to attend the debate on the Finance Bill. As Honourable Members are aware, when conditions render it possible the Finance Member comes in person and listens to the debate in this House, but on this occasion during both days of the debate he has been practically continuously occupied both in the Legislative Assembly and outside it with work of an important nature requiring his personal presence, and in the circumstances it has not been possible for him to attend. I sympathise with the House and I must ask them to put up with me as a poor substitute.

The discussions on the Finance Bill this year, Sir, as usual, have covered a very wide field, and in the gravity of the present times it is not surprising that the matters raised have been of supreme moment and of very great importance. The importance of the times, the importance of the issues raised, could have been felt during the discussions by the gravity of the discussions and the obvious sincerity of the speakers. Five spokesmen on behalf of Government have already replied to questions of general policy, military strategy and other important matters which at present are exercising the mind of the public, and it remains for me to conclude the debate by dealing with such points as have been raised of a financial nature. These points have been few, Sir. It perhaps is not surprising that at a time like this purely financial considerations must tend to give way to matters of more fundamental importance.

In so far as criticisms of the provisions of the Finance Bill raised during this debate are concerned, such criticisms have been largely absent and in so far as this reflects a general measure of acceptance of the general policy embodied in that Bill, the Government and the Finance Member in particular are grateful. It seems rather like a descent from the sublime to the ridiculous for me to have to wind up the debate on the level on which it has been conducted for these two days, by dealing seriatim with financial issues, many of which are of comparatively trivial importance. But I feel it necessary out of courtesy to the House and to those Members who raised these points to do what I can to meet them.

First of all, Sir, I will deal with what I might call purely clarificatory points. The first one is the point raised by my Honourable friend Pandit Kunzru in respect of Lease-Lend supplies. I find it a little difficult to know how to put the matter because it seemed to me that the explanation given by the Honourable the Finance Member in the other place put the matter beyond any possibility of doubt. But the Honourable Mr. Kunzru has evidently found some difficulty in realising the exact position and has asked me to explain it further. I will try and put it in a series of plain straightforward statements. The first one is that the total value of Lease-Lend stores which, when the Budget was prepared, was considered likely to be received in India amounted to Rs. 11 crores in the current year and Rs. 34 crores in the next year. That was an estimate necessarily rough because it must depend upon war developments, shipping situation and so on. But it was, I repeat, a rough figure of the total supplies expected to be received in India for all purposes and has no direct connection with our Budget whatsoever, and those figures do not appear in the Budget at all. Of the supplies represented by those amounts, all stores received on Lease-Lend terms in India which will be utilised for the forces outside the frontiers of India will be purely on His Majesty's Government's account and they do not affect us at all. Of the balance, *i.e.*, of the stores which are required for India's defence in India itself all except vehicles will be on His Majesty's Government's account because His Majesty's Government supply us free with this equipment not under the financial settlement but in accordance with the policy which they have undertaken, we get these things as a gift from His Majesty's Government, and His Majesty's Government get the benefits and assume all the Lease-Lend obligations in respect of them. None of these affect our present Budget. There remains, therefore, of all the Lease-Lend supplies received in India, only a certain number of vehicles of various kinds which are required in India for the utilisation of India's forces for the defence of India, and this alone is treated as being received on India's account. The amounts estimated at the time when the Budget was prepared for this limited class of vehicles was half a crore of rupees in the current year and Rs. 1½ crores next year. This is the only provision that has been made in the Budget in respect of Lease-Lend supplies. The estimates are necessarily very rough. War development might involve a reduction in the receipt of such supplies, while on the other hand, they might well involve an increase in the proportion of vehicles retained for use in India, and if the amount were to become very large, we might have to revise our accounting policy. But, for the present, on the basis of those figures, we deem it wise and prudent to take a debit to revenue for the value of those supplies and a corresponding credit under a suspense capital head. The reasons were, first of all, because the nature of the obligations undertaken or assumed when accepting Lease-Lend assistance from the United States was not known and is not known yet. It is entirely uncertain and therefore we have undoubtedly a contingent liability to that extent. Secondly, because, if the source of

[Mr. C. E. Jones.]

supply were to be diverted on account of war conditions from the United States, as for instance, to Canada, we should then have to pay for them in cash. The result is, therefore, that in respect of Lease-Lend supplies, we have a debit to defence expenditure this year of half a crore of rupees and a debit to defence expenditure next year of Rs. 1½ crores. If these debits had not been made, that is, if we had dealt with the matter purely on a Lease-Lend basis excluding all future or contingent liabilities and had decided not to charge them to revenue, the only effect in the accounts would have been, first that defence expenditure would have been shown half a crore of rupees less in the current year and Rs. 1½ crores next year, the revenue deficit would have been half a crore of rupees less this year and Rs. 1½ crores next year, and capital credits would have been correspondingly less by half a crore of rupees this year and Rs. 1½ crores next year, leaving the closing balances unaltered. Considering the comparative smallness of these amounts as compared with the size of the Budget figures I think Honourable Members will agree that the action we have taken could in no way have affected our main budgetary policy.

The next point on which the Honourable Pandit Kunzru asked for clarification was in respect of the increases in money order rates and insurance fees which have recently been notified to come into force from the 1st April next. He asked if this was a sudden decision on the part of the Government by way of answer to the amendments which had been made to the Finance Bill in the Assembly. I cannot understand, Sir, what basis there is for any such—suspicion, shall I say?—but I can assure the Honourable Member that his suspicion was entirely unfounded and unwarranted. These postal charges were included in the increases in postal rates which were referred to in the Budget Speech as calculated to yield an extra Rs. 1 crore of revenue. They were not specifically mentioned individually as they were comparatively small and the Budget Speech made mention only of the main items.

The last point to which I need refer as coming under this head of “clarificatory” is the reference made by the Honourable Mr. Hossain Imam about the late publication of the Report of the Central Board of Revenue. It is a relief to me to know that there is at least one member of the House who reads this Report and is interested in its timely publication, especially a member who took one and a half hours to explain to us that he was under instructions to vote against this Finance Bill. The position as regards this Report is that we try each year to get it out as early as possible, but I admit that we have been unlucky. Sometimes the form of the Report is changed and the revision in form introduces complications which delay its preparation on the part of Commissioners. But the main cause of the delay in the last two years has been delay in printing. It is a voluminous work to print and our Government Printing Presses are working at such heavy pressure for the Army that publications such as the Report of the Central Board of Revenue sometimes have to give place, it may be for a month or two on end. We hope that with the centralisation of income-tax statistics the statistical portion of the Report will be compiled much more quickly in future years and the delay in publication avoided.

The next class of points to which I would refer are points in regard to which I am not in a position to give a final answer. Honourable Members here, as well as those in the other place, have raised the question of the treatment as regards income-tax accorded to those unfortunate gentlemen who have suffered loss of property and other capital in Burma and Malay. I

think the Honourable Pandit Kunzru was impressed by the reply that was given on this point by the Honourable the Finance Member in the Legislative Assembly. The Finance Member has promised sympathetic consideration to this question. He has it under his active consideration in consultation with the gentlemen concerned, and I am afraid it is not possible for me today to carry that further.

The next point, a point of some substance, was raised again by the Honourable Pandit Kunzru, and that is as regards the future treatment of our sterling balances. This was raised in the other House and the Honourable Finance Member indicated that when once our second scheme of repatriation and the repayment of the 3½ per cent. non-terminable stock is out of the way this question of future accruals of sterling balances will undoubtedly be a serious problem for the future, and a problem which will want considerable thought given to it. We are glad to note and we appreciate the general reception which has been accorded to our action in utilising sterling balances up to date for extinguishing India's external debt almost entirely. But when those operations are completed the question will arise as to the best and wisest use to which further balances can be put. Should that arise during the period of the war it will be undoubtedly a difficult problem, because war conditions make it difficult to know exactly what best can be done; while if the problem is left to be decided after the war, again it will depend on post-war conditions which any man would be rash at present to speculate upon. Therefore for the present I must leave it where the Honourable the Finance Member has left it. But I would like to make one point, and that is that the utilisation of these sterling balances for capital purposes carries with it the obligation to raise corresponding rupee loans in India, and with that for the time being we have our hands quite full. I would impress upon Honourable Members that they can best help in assisting Government to avail of opportunities as they arise for the best use of our sterling balances if here and now, from now onwards, they will co-operate with the Government in securing as large a response as possible to our loan operations in this country. When the time comes for action in this respect I have no doubt that the specific suggestions that the Honourable Mr. Kunzru has put forward will receive the consideration they deserve, although I am not in a position to say anything on his suggestion for the nationalisation of the coal and oil industries.

Two Honourable Members, the Honourable Mr. Kunzru and the Honourable Mr. Mahtha, raised the question of the repayment of post office savings bank deposits in Burma and of money spent in making war supplies to the Government of Burma by Indians who have since been evacuated at short notice to India. My Honourable friend Mr. Bozman has already touched on this point. Honourable Members will of course realise that the march of events in Burma has been so swift and sudden that the Government of Burma are acting under very great and severe handicaps, that the effect of the war on their finances has been severe, and that the practical difficulties of carrying on the administration are immense. Developments have been so sudden that we have not really had time to get down to questions like this. In respect of Indian evacuees from Malaya arrangements have been made for those who had deposits in post office savings banks in Malaya to draw those deposits in India, naturally on production of their pass book and on proof of their identity. I have no doubt myself that similar arrangements will be made in due course in respect of Burma. But the march of events, as I say, has been so rapid that we have not had time really to take up this question and come to any definite arrangements.

[Mr. C. E. Jones.]

The next point of this nature raised was about financial control over the operations of the Supply Department. It was raised by the Honourable Mr. Hossain Imam, and if I dare reply to him in his own words, I would say that getting into a temper and flaring up and making wild allegations does not really help matters. The Honourable the Finance Member explained in the other House that it is one of our main concerns, a concern to which we have devoted much time, thought and trouble, and gone to no end of expense to secure financial co-ordination of the activities of the Supply Departments in the matter of contracts and that I can assure the House is the general rule. You can always pick on individual cases where a limited supply of goods of a particular nature has been urgently required and we have had to depart from our usual practice. But you cannot generalise from these individual cases. It is also possible that where the Supply Department are taking a large percentage of materials available in the market off the market and the balance left is very small for meeting outside demands the natural law of demand and supply operating on that limited portion which is available for free purchase sends the bazar price soaring up. But it does not follow from that that the Supply Department obtained its large purchases at those high prices. As a matter of fact it is very often because the Supply Department has taken a large part of available supplies at a moderate price that the small balance is left to the tender mercies of the producer and the seller and the free market price goes up. But as I say, you cannot say that because the Supply Department has been operating and making large purchases, with the result that the bazaar price has gone up, that therefore the Supply Department are guilty of extravagance, because their supplies may have been obtained at extremely favourable rates.

I would now like to turn to the provisions of the Finance Bill itself. There are only two points on which I have occasion to offer remarks. The first is the concession given in respect of excess profits tax. This was objected to by Sir Ramunni Menon, who also indicated his wish that the Government should exploit excess profits much more intensively for the benefit of the public purse. His theory on grounds of social justice is almost unanswerable. They are the very arguments we pressed when we first brought the excess profits tax measures before this House. But we have had to realise that we are not living in an ideal world. The willing co-operation of industry is necessary for the war effort and to leave a certain profit motive to secure the willing co-operation of industry is certainly a help without which at present we cannot dispense. The concession that has been given in this Bill is merely designed to couple that profit motive with the further object that we have of taking purchasing power off the market in the interests of the community at large and I think that from the reception that this measure has had it has secured general assent, while from the suspicion with which in some quarters it has been regarded we may assume, that it does not go too far in the direction of liberality to trade interests. The other point on which I would offer some comment is about the raising of the minimum of exemption income-tax limit from Rs. 1,000 to Rs. 1,500. The Honourable Mr. Kunzru said that the Government *had* to grant this concession because of an unintended effect brought to light in the Lower House. That, Sir, is not correct. I am afraid it was a little ungracious of him to put it that way. There were only two unintended effects brought to light in the Lower House, neither of which necessitated Government accepting this amendment. The first unintended effect was the enfranchisement of a certain number of persons. The percentage of increase of enfranchised persons would be possibly one or two per cent.,

but not more. It was an effect that Government would have been perfectly prepared to face, all the more so, because when the existing Constitution Act came into being these people were already enfranchised. That consideration would not have prevented the Government from opposing this amendment had they seen fit. The other unintended effect was that under the Bengal Profession Tax Act as it stands a certain number of people who are now exempt from the payment of profession tax in Bengal would, as income-tax assesseees become liable to the payment of that tax. I think the effect would not have materialised in fact, because potential assesseees would merely have made their deposit. They would never have become liable to pay tax and therefore they would not have come within the terms of the Bengal Act. Even if that had been the case, it is not a matter which the Central Government could take into account in deciding a matter of this kind. What persons are assessed to profession tax in Bengal is entirely a matter for the Bengal Government. If the Bengal Government wish to exempt people earning Rs. 2,000 per annum or less, they have every right to do so, they have the power to do so, and as a matter of fact their own Bill gives them power to exempt cases from payment of tax which under the clauses of that Bill would be liable to tax. Therefore there was no earthly reason why this consideration should have induced the Government to accept this amendment. The Government accepted this amendment by way of a sort of compromise, with a certain amount of reluctance and with a certain amount of regret. We are here, Sir, entering a new field, a field of compulsory or quasi-compulsory savings in the interests of the community. It is a new departure, it is a departure in respect of which we desire to have the co-operation of the people themselves. This provision for incomes between Rs. 1,000 and Rs. 2,000 was never intended as a taxation measure. In spite of the Honourable Mr. Kunzru saying that Government had desired to tax these people, we did not desire to tax them. It was our way of providing a very strong incentive to make these people save, and that saving is in the interests not only of those people themselves but of the whole community. I do not see, Sir, how one can escape the logic of this position, that when you have far more people earning money in a country, far more money devoted to the purchase of consumer's goods, and conditions at the time preventing any material expansion in the supply of those goods, you are bound to get an upward pressure on prices. I do not see how you can avoid that, and that must mean a certain amount of hardship. If instead of so many lakhs of people earning such and such incomes you get twice the number of people earning those incomes, then the people who were previously earning those incomes will have to do with less goods, whatever money they have in their hands. You do not get rid of that difficulty by giving them more money to spend. If it were possible to double the income of everybody in this country, without any increase in the supply of goods available for purchase, how would the people benefit? Prices would naturally jump to double the previous level and the only result would be that people with small fixed incomes would be subjected to very great hardships. I agree, Sir, that I am over-simplifying this problem, but I am doing so deliberately because I want to explain the general principle on which Government are working. The general picture is clear, that if you have far more people actively employed, far more people earning wages, far more money coming into circulation, measured by hundreds of crores, with supplies limited, with imports limited, when production can only expand slightly, you are bound to get a pressure on prices which most seriously affects the poor and the lower classes. I hope I will not be understood as giving it as my opinion that we have reached a dangerous stage in that direction as yet. I do not think we have. Several members have stressed that point but the fact remains that those factors are beginning to operate

[Mr. C. E. Jones.]

and the more intensive our war effort becomes, the more powerful will they continue to operate. Therefore, in the light of such considerations the Government decided that the time had come to make a beginning with this principle of inducing people to save. And what was the extent of saving which we wished to impose upon people earning Rs. 1,000 a year? I think we ought to retain some sense of proportion when we deal with a question like this. A person earning Rs. 1,000 per annum under the Government's original proposals would have been liable to a tax of Rs. 7-13-0 per annum, and he could escape that liability altogether by making a deposit, which would bear interest, of Rs. 10 per annum. I do think in present circumstances, when it is impossible owing to rise in prices to spend one's money to best advantage, that it was unreasonable to ask a person earning Rs. 1,000 per annum to save, against the time when he can spend it more advantageously, Rs. 10. But, as I say, Government have accepted this raising of the lower limit of Rs. 1,000 to Rs. 1,500, and they did so purely with a view to carrying with them the Members of the Central Legislature and in deference to their wishes, because they realise that they are exploring a new field and they would prefer to do so in a spirit of compromise by taking the people along with them, confident in the knowledge that as people become accustomed to these principles and as the necessity for such action becomes more apparent, as surely it will as time goes on, it will be possible to extend this principle in the interests of this country and of the people in it.

Sir, I think these are the only points on which I have any remarks to offer and I commend this Bill to the acceptance of the House. (Applause.)

THE HONOURABLE THE PRESIDENT: Motion moved:—

"That the Bill to fix the duty on salt manufactured in, or imported by land into certain parts of British India, to vary the rate of the excise duty on motor spirit leviable under the Motor Spirit (Duties) Act, 1917, to vary the rate of the excise duty on kerosene leviable under section 5 of the Indian Finance Act, 1922, to vary the rate of the excise duty on silver leviable under the Silver (Excise Duty) Act, 1930, to levy customs duties in addition to the duties of customs leviable under the Indian Tariff Act, 1934, to fix maximum rates of postage under the Indian Post Office Act, 1898, to fix rates of income-tax and super-tax and to continue the charge and levy of excess profits tax and fix the rate at which excess profits tax shall be charged, as passed by the Legislative Assembly, be taken into consideration."

Question put and Motion adopted.

THE HONOURABLE THE PRESIDENT: Honourable Members, I have decided not only to get this Bill passed today but also to dispose of the work which is on the agenda for today. In order to enable you to refresh yourselves and to have a short recess I adjourn the Council for 15 minutes, after which I hope you will all come back and proceed with the work.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Could we not continue the work now instead of adjourning for 15 minutes?

THE HONOURABLE THE PRESIDENT: There are other Honourable Members who want to speak on the Third Reading of the Bill.

The Council then adjourned till a Quarter Past Five of the Clock.

The Council re-assembled at a Quarter Past Five of the Clock, the Honourable the President in the Chair.

Clauses 2 to 7 and Schedule I were added to the Bill.

Clause 8, Schedule II, Parts I and II were added to the Bill.

Clauses 9 and 10 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. C. E. JONES: Sir, I move:—

"That the Bill, as passed by the Legislative Assembly, be passed."

* THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras Muhammadan): Sir, speaking at this stage I would try to refrain from traversing the ground which has been covered by the previous speeches. Sir, I should like in the first instance to draw attention to the plight of a section of handloom weavers in my province who have been particularly hard hit by the extension of war to the Far Eastern countries. Sir, a class of weavers in the Madras Presidency had been confining themselves to the manufacture of coarse coloured cloth which had an exclusive market only in Burma, Malaya and Ceylon, and ever since the war extended to the Far Eastern countries, these people have been steadily losing their market so much so that today they are all of them rather out of employment. They have been reduced to a state of starvation. I wanted to draw attention to this fact only because I felt encouraged by what I saw in the papers recently. I find from the news that Government are convening a conference with a view to make a fuller utilisation of the small scale industries for the purpose of helping the mills. Sir, these mills, as we know, have been made to work very hard, and most of them have often to work overtime, and it is expected that during the coming year the demand on the mills will be much larger. With a view to enabling these mills to meet those demands, Government are trying to relieve the mills of a part of the burden which they are now bearing. In this connection I would like to bring to the attention of the Government the advisability of doing something to help the weavers which in its turn would also go to help them in the purpose which they have in view. Sir, some time back we learnt that the Government of India were proposing to fix up a standard for coarse cloth—cloth which would be used by the lower middle and poorer classes. This kind of cloth is one which can easily be manufactured by the weavers in the country. I would, therefore, suggest that the Government might fix up a standard for this purpose, and having fixed the standard, might ask the mills not to manufacture this kind of cloth, and leave its manufacture only to the handloom weavers in the country, so that the mills might be relieved of the necessity of having to work for the manufacture of this cloth. In this way, Sir, Government would be able not only to give the much-needed relief to this big organised industry but at the same time to furnish the much-needed employment to the handloom weavers who have now been thrown out of employment. Even in the best of times, in normal days, these weavers were living only a hand-to-mouth existence and have not been able to lay by anything to fall back upon in the rainy days. It is, therefore, necessary that Government should try and see that they give some sort of relief to these handloom weavers. I would in this connection like to mention an Association which claims to represent the weavers in our country. The Honourable House is aware that the gentleman who calls himself the President of the Momin Association recently sent a cable to the Secretary of State for India claiming that his Association re-

*Not corrected by the Honourable Member.

[Saiyed Mohamed Padshah Sahib Bahadur.]

presents the weavers of the whole of India and that the weavers whom he claims to represent are 45 millions in number and all of them are entirely opposed to the policy and programme of the Muslim League. I just say that this claim is not tenable. In the first place his claim that his Association represents nearly 45 millions of weavers in the country does not hold water. From the statistics it will be clear that the weavers in the whole of India is no more than 3,500,000. If by making this claim he includes not only the weavers but also the class of people which the very term connotes, then I welcome the term, because I feel and every one of my co-religionists that he is a Momin, for the word "Momin" means faithful, and every one of us considers himself as belonging to the class of the faithful. This claim by the President of the Momin Association, as he calls himself, is one which does not deserve any consideration. In our province we have three to four lakhs of weavers, and I say without fear of contradiction that every one of them is in support with and supports the policy and programme of the Muslim League. But this gentleman who makes this claim on behalf of the weaving community has not moved his little finger to help those weavers in my province who have all of a sudden been thrown out of employment and have reached the verge of starvation and ruin. It was people in our province, and mostly the Muslim League, that came to their rescue and who have been doing whatever they can to bring relief to these people who are in such dire distress. I am glad to say that in the help that we are trying to secure for these distressed people we are receiving the support not only of Muslims but of a number of non-Muslims also.

Just a word, Sir, about the racial discrimination in the case of the evacuees. I just want to say that we are very grateful to the Honourable Overseas Member for a very sympathetic and frank speech. I may assure him that we on this side of the House have no doubt that he and his able and sympathetic Secretary Mr. Bozman are doing their best and acting with all sympathy and keenness in this matter, but I think that real improvement can be affected in this connection only if the Defence Department co-operate with them. Much of the mischief in Rangoon and other parts of Burma and in Malaya was possibly due to the fact that the Defence Department did not whole-heartedly co-operate with the Overseas Department. I hope the Overseas Department sees to it that the Defence Department co-operates with them.

Now as regards another question affecting evacuees and other people who have lost their property in various countries in the Far East I have just one word to say. We are grateful to the Honourable the Finance Member and his sympathetic Secretary Mr. Jones for holding out the assurance that the cases of these people in respect of income-tax would receive sympathetic consideration. I would only say this, that this consideration should extend not only to the assessment of income-tax on incomes which these people have lost in those countries which are now under enemy occupation; I would suggest that all these people who had any business relations in those countries and who were deriving any appreciable portion of their income from those countries should receive sympathetic consideration, because they have lost not only the income but the capital they have invested in those countries, capital expended in building up the extensive business they have been doing.

From this I pass on to another subject and that is about news agencies. As you know there are a number of news agencies in our country and most of them receive help and subsidy from the Government. Among these news agencies there is one, the Orient Press Agency. This is the only Muslim organisation which was started only about a couple of years ago. Even though this agency has been functioning only for a very short period it has been

doing its work very honestly and efficiently, and it is very disappointing to find that despite its good work, despite the very useful service which this news agency is doing, the Government of India have not yet seen their way to giving any subsidy or help to this agency. The Government ought to be aware, Sir, that owing to the paucity of Muslim newspapers this agency, of all the news agencies in our country, is one which deserves great consideration. If the number of Muslim newspapers had been larger, possibly this agency could have stood on its own legs because of their support, but as things are in our country there are very few newspapers which could give any sort of help to this agency, and unless Government comes to its rescue and does bare justice to it and gives it a subsidy, as it does in the case of other agencies, there is every apprehension that this very useful organisation might disappear. I would therefore request the Government to give sympathetic consideration to the case of this Orient Press Agency and try and give it the help which it needs.

Before I sit down I should like to join my Honourable friends who have extended a welcome to Sir Stafford Cripps. I say that Sir Stafford Cripps has got our sincerest good wishes for success in his mission. No one in this country will be more pleased and happy than the Muslims and the Muslim League if the good offices of Sir Stafford Cripps help to resolve the deadlock which prevails in the country. This deadlock which is holding up every progress, which is hampering every useful activity in the country, is most annoying to the Muslims. It was to resolve this deadlock that the Muslim League long ago expressed its willingness to co-operate, but only with this condition, that it would come to a working arrangement during the war and would take up the major issues for settlement only after the war. Sir, nothing could be more reasonable, more helpful, to the solution of this political puzzle than the attitude which the Muslim League took and the offer which the head of the Muslim League, Mr. Jinnah, made was to co-operate on the basis of a working arrangement with the only condition that the larger and the more complicated issues should be settled after the termination of the war. But, Sir, this very attitude has been so severely criticised in this House that I cannot pass over this without giving my reply to the aspersions that have been cast upon this attitude. Sir, it has been said that Mr. Jinnah who represents the Muslim League in the country has been trying to dictate. My submission is that far from dictating Mr. Jinnah has expressed his willingness in clear terms to say that he is ready to co-operate and do whatever he can in the war effort, provided he could do so with self-respect and he could do so without prejudice to the larger issues which will have to be settled in a calmer and more peaceful time. Contrast with this the attitude which the Indian National Congress has adopted—an attitude which my friend the Honourable Mr. Sapru so eloquently, so vehemently indicated. The Honourable Mr. Sapru said that it was the Muslim League which took up an intransigent attitude and it was the Congress which took up a helpful attitude. Here is the League offering to co-operate on any terms which could be considered respectable. Here is the League offering to throw its lot on the side of the Powers which are now fighting for the freedom of men and the civil rights of humanity. On the other hand, we have the Indian National Congress dictating, saying that it is not going to touch any offer even with a pair of tongs unless the Government here and now declares that India would have independence within a fixed time after the war. Here is the offer of two brothers. Which of these two it is that has assumed an intransigent attitude? You could see which of these two organisations is trying to take undue advantage of the country's difficulties and which of these two is the organisation which is trying to gain

[Saiyed Mohamed Padshah Sahib Rahadur.]

victory over other elements in the national life of the country at a time when such larger questions could not be properly considered. Now, Sir, the supreme need of the hour is a united front to thwart the danger which is threatening, at a time when the enemy is knocking at the door and when determined resistance is so urgent. Is it the time when we can try to solve those larger and more complicated issues which have hitherto defied every attempt at solution. Whatever could be said of the present moment, it is certainly not the time when people should indulge in bargaining and trying to take undue advantage of the country's difficulties. Whatever the motive of the Allied Powers in resisting the Axis Powers, whether Britain is impelled by Imperialistic motives or whether Britain is trying to fight the war for saving humanity's rights, whatever may be the motive, one thing is quite plain, that for the moment the lot of India is thrown with that of England, that the Britisher and the Indian are in the same boat and will have to sink or swim together. On an occasion like this the duty of every patriotic Indian is perfectly plain, that no time should be lost, that no effort should be spared to try to save the country. It was to save time in doing the needful to save the country that Mr. Jinnah offered to co-operate merely on a working arrangement.

Now, Sir, just one word more. As I said at the outset, I am very hopeful, prayerfully hopeful, that Sir Stafford Cripps' mission might prove successful in our country. But I cannot help saying one thing to my countrymen here. Whatever may be the proposals that Sir Stafford Cripps might bring, however just and final they might be, these proposals cannot succeed unless they are supported by mutual understanding. These proposals, whatever the nature, will only have the fate of a still-born child if they are not supported by mutual understanding between the different sections of the people in the country. I would therefore request that we should cast off all our prejudices for the time being at least. Let us put away all those high ambitions which we might have regarding our people, for the present let us try to come together and work together under some arrangement which might not have the risk of jeopardising the consideration of those larger issues until the termination of the war. I do not want to detain the House any longer.

THE HONOURABLE THE PRESIDENT: Motion moved :—

"That the Bill, as passed by the Legislative Assembly, be passed."

Question put and Motion adopted.

THE HONOURABLE THE PRESIDENT: Before we proceed further with today's work, I wish to give some explanation myself in view of Mr. Sapru's statement, which he made in the House, that there was absence of courtesy on the part of the Leader of the House in not being present when the Finance Bill was being debated. I have to give an explanation. The Leader of the House asked my permission as he had to attend an Executive Council meeting and the Chair gave him permission to absent himself. So I suppose the Honourable Mr. Sapru is now quite satisfied.

THE HONOURABLE MR. P. N. SAPRU: It is perfectly all right, Sir.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Today again, Sir, there is a meeting of the Executive Council.

THE HONOURABLE THE PRESIDENT: Certainly you can go.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: We all want to go too!

THE HONOURABLE THE PRESIDENT: We shall consider that matter presently!

AGRICULTURAL PRODUCE (GRADING AND MARKING) AMENDMENT BILL.

THE HONOURABLE MR. J. D. TYSON (Education, Health and Lands Secretary): Sir, I beg to move :—

"That the Bill to amend the Agricultural Produce (Grading and Marking) Act, 1937, as passed by the Legislative Assembly, be taken into consideration."

Sir, I do not feel that I should take the time of the House by adding anything to the Statement of Objects and Reasons but if any Honourable Member wishes to have further light on the matter I shall try to shed it.

The Motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. J. D. TYSON: Sir, I move :—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INDIAN TOLLS (ARMY) AMENDMENT BILL.

THE HONOURABLE SIR GURUNATH BEWOOR (Nominated Official): Sir, I move :—

"That the Bill further to amend the Indian Tolls (Army) Act, 1901, as passed by the Legislative Assembly, be taken into consideration."

Sir, this is a small amending Bill. The Act was passed as long ago as 1901. Its main purpose was to provide for exemption of persons and property belonging to the army from the payment of certain tolls. The Act was amended in 1927 and again in 1932 but the amendments were confined to adding Air Force to the provisions of the Act. Having been passed as long ago as 1901 the terminology of sections 2 and 3 has become out of date and has been occasioning some difficulty in interpretation under modern conditions. The object of the present Bill is merely to clarify certain expressions and to bring the terminology in consonance with present conditions. There is no question of the introduction of any new principle. The main changes and the reasons therefor have been mentioned in the Notes on Clauses and I think it is unnecessary for me to add anything to them.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clauses 3 and 4 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR GURUNATH BEWOOR: Sir, I move :—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

CANTONMENTS (AMENDMENT) BILL.

THE HONOURABLE SIR GURUNATH BEWOOR (Nominated Official): Sir, I understand it is the desire of the House that this Bill be taken into consideration tomorrow. The Members agree to give some time tomorrow.

THE HONOURABLE THE PRESIDENT: I have no objection but tomorrow is a non-official day. Do you agree?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Yes, Sir.

THE HONOURABLE THE PRESIDENT: Then it will be taken up immediately after your Resolution is discussed.

The Council then adjourned till Eleven of the Clock on the 25th March, 1942.

COUNCIL OF STATE.

Wednesday, 25th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

SECRETARY OF THE COUNCIL: Sir, a message has been received from the Secretary of the Legislative Assembly. The message runs as follows:—

"I am directed to inform you that the Legislative Assembly at its meeting held on the 24th March, 1942, agreed without any amendment to the following Bills, which were passed by the Council of State at its meetings held on the 20th November, 1941 and the 6th March, 1942, namely:—

1. A Bill further to amend the Indian Limitation Act, 1908; and
2. A Bill further to amend the Indian Companies Act, 1913."

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which were passed by the Legislative Assembly at its meeting held on the 24th March, 1942, namely:—

- A Bill further to amend the Muslim Personal Law (Shariat) Application Act, 1937;
- A Bill to confer supplemental powers on the Federal Court;
- A Bill further to amend the Code of Criminal Procedure, 1898.

DELHI MUSLIM WAKFS BILL.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhamadan): Sir, I rise to make the following Motion:—

"That this Council do concur in the Resolution passed in the Legislative Assembly recommending that the Bill to provide for the better administration of Muslim Wakfs in the Province of Delhi be committed to a Joint Committee of this Assembly and of the Council of State and that the Joint Committee do consist of 18 members."

This is a formal Motion, Sir, so I need not make a speech. I hope the House will accept it.

The Motion was adopted.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, I move:—

"That the following Members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill to provide for the better administration of Muslim Wakfs in the Province of Delhi:—

1. The Honourable Malik Sir Firoz Khan Noon;
2. The Honourable Mr. E. Conran-Smith;

[Mr. Hossain Imam.]

3. The Honourable Saiyed Mohamed Padshah Sahib Bahadur ;
4. The Honourable Mr. Abdool Razak Haji Abdool Suttar ;
5. The Honourable Sirdar Sahib Sir Suleman Cassum Haji Mitha ;
6. The Honourable Khan Bahadur Mian Ali Baksh Muhammad Hussain ;
7. The Honourable Haji Syed Muhammad Husain ;
8. The Honourable Sir Muhammad Yakub ; and
9. The mover."

I may say that I have taken the consent of all the Honourable Members who are present in this session.

The Motion was adopted.

RESOLUTION *RE* APPOINTMENT OF INDIANS IN THE INDIAN CORPS OF ENGINEERS, ETC.—*contd.*

THE HONOURABLE THE PRESIDENT : We will now proceed with the discussion of the Resolution* moved by the Honourable Pandit Kunzru.

THE HONOURABLE GENERAL SIR ALAN HARTLEY (Nominated Official) : Sir, I was not in this House when the Resolution moved by my Honourable friend Pandit Kunzru was debated. My Honourable friend the Secretary for Defence Co-ordination supplied me with notes giving the points raised in the course of the debate and I will do my best to deal with them in the course of my reply.

Sir, the Resolution recommends to the Governor General in Council that immediate steps be taken to provide that Indians are freely appointed as officers in the Indian Corps of Engineers, in the Indian Artillery and in the Mechanised Cavalry. I should like to say at once that the policy of Government is to post officers, whether Indian or European, to all the different arms according to suitability and requirements. I take the Indian Engineering Corps first. The position is that prior to the outbreak of war there were only three companies of Sappers and Miners which have been Indianized, as the term was then. Honourable Members know that the scheme of Indianizing particular units has been abandoned since the outbreak of war and Indians are now posted to all units. Qualified and suitable men are taken, trained and posted to the Engineering arm. Before the outbreak of war there were only a dozen Indians in the Corps of Indian Engineers. The number is now nearly 20 times the pre-war figure, that is to say, it is now in the neighbourhood of 240. It is true that in the Corps of Indian Engineers there is a very large number of officers other than Indian. But, owing to the necessity for rapid expansion we have had to obtain qualified and trained officers from other sources. But that does not interfere with the fact that there is plenty of room for suitable, qualified young Indians, and as many as we can get.

As regards the Indian Artillery, the position is somewhat similar. Prior to the war there was only one field regiment of Indian Artillery. Since then

* "This Council recommends to the Governor General in Council that immediate steps be taken to provide that Indians are freely appointed as officers in the Indian Corps of Engineers, Indian Artillery and Mechanised Cavalry."

there has been considerable expansion. Whereas there were less than 10 Indians in the officer ranks of the Indian Artillery before the outbreak of war, there are now nearly 15 times that number, that is, about 150. Here again, in order to officer the greatly expanded artillery arm, we have had to take a large number of officers other than Indian. My Honourable friend, I understand, has complained that the proportion of Indians is slightly worse than it was some months ago, and from this he was inclined to infer that less Indians were being taken. As regards that I would point out that the proportion varies from time to time, and this is due to the rate of expansion. The artillery arm requires men with certain academic qualifications, especially mathematics, and all I can say is that men who are found suitable are freely taken.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What are the qualifications in mathematics that are required?

THE HONOURABLE GENERAL SIR ALAN HARTLEY : The Intermediate, I understand.

Regarding the Mechanised Cavalry or the Indian Armoured Corps, as it properly is, the position was that at the outbreak of war there were only two Indian cavalry regiments which had been mechanised and in neither of these two regiments had we any Indian officers other than the subedar or jamadar type because all the commissioned Indians were serving in the then three Indianized cavalry regiments. That, as you know, has been abolished. We have now nearly 100 Indian officers serving in the Indian Armoured Corps. The general policy which Government follows is that a proportion of all officers available for posting be sent to each arm of the service. In making these postings the technical qualifications of the cadets, or the officers concerned, and their suitability are the only governing considerations. There is no discrimination based on considerations other than suitability, aptitude and technical qualifications. Promotions are governed by regulations and considerations which apply equally to all officers. There is no reluctance to take Indian officers in any of these three arms and there can be no question of want of trust in Indians. Government have taken steps to post Indians freely to all arms in the services and will continue to do so. I have therefore no objection to accepting the Resolution, provided it is understood that in posting officers to the technical arms the main consideration is that of the efficiency of the service.

*THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. President, I am very glad that General Hartley has accepted the Resolution which has been moved by my Honourable friend Mr. Kunzru. The only thing which struck me was that I could not understand the complaint of paucity of suitable Indian officers. If the Intermediate is the qualification required, I think the United Provinces alone could supply enough Intermediates, B.Sc.s. and M.Sc.s. in mathematics. There is no dearth of Indians. The only trouble is that of suitability according to the military technical term. A man may be a very good mathematician and he may be hardy enough, but he may not suit the army and its traditions. As the Honourable General Hartley has already accepted the Resolution I can only say this, that given a real desire to find Indians there will be no dearth, and at a moment when first rate Europeans are not available in India I think it is better to take Indians than to hunt in the other British Possessions for European personnel for these arms. As far as the Engineering Corps is concerned, there too, we find that there are quite a large number of qualified Indians available. The pay given by the military is more attractive than civil employment offers, and over

* Not corrected by the Honourable Member.

[Mr. Hossain Imam.]

and above that there is the motive of patriotism. I think if there is a genuine desire to find Indians there will be no more paucity of Indians and we will have more than we require.

*THE HONOURABLE HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, I very much appreciate the Government's acceptance of this Resolution. There is only one thing I suggest. There are certain engineering institutions in India which take matriculates for an overseer's course. I hope that the Overseer's certificate from those institutions will be created as equal to an Intermediate in mathematics.

THE HONOURABLE SIR A. P. PATRO (Nominated Non-Official) : Sir, I am glad that the Resolution has been accepted without any reservation. But there are one or two facts which I want to mention to this House for its information, so that it may not be misunderstood that the acceptance of the Resolution is unreserved. The point is this. As one who has had experience of Selection Committees for recruitment to the Indian Engineers, Military, I can say there is considerable difficulty in selecting suitable candidates. The point is that whatever the qualifications and preliminary training which candidates possess there are other drawbacks. The Indian engineering institutions train two classes of people, namely, the civil engineers and the mechanical engineers. The civil engineering course in Madras, Bengal and other institutions do not help the military aspect very much, which requires structural works training, road making training, etc., and mechanical engineers would be useful only if they have another few months in certain military schools. Therefore even though a person may possess what is called the Intermediate or B.Sc. degree of engineering, he requires further training to qualify him for military engineering. And when we have asked candidates whether they would like to go in for further training, they hesitate, with the result that many who offer are not available in the final selection. This is not an easy matter and if today there are more of the other classes than Indians in the Engineering Services that is the reason. For instance, we have tried our best to pass as many Indians as possible into the Corps of Engineers. The difficulty is their qualification. When they are put to the hard course necessary to fit them for that work then candidates did not prove equal to the task. Therefore we were obliged to disqualify some of them. Even the Roorkee engineering course has been reduced to help in finding candidates. Each case depends on its own merits. The Committee has to examine the candidate, his antecedents, his training, and when it finds he is physically and mentally qualified and he is prepared to take a further course he is selected. Therefore it is not enough to say there is no dearth of candidates. It must take time for our people to understand what is actually necessary for military engineering and to qualify themselves for that service. I am very glad that the Defence Member has accepted this Resolution and I welcome that, but as I have said, it now devolves upon us Indians to understand what is necessary for military service. A sapper for instance is required to put up a bridge in a dangerous position. What is necessary is resourcefulness, initiative and courage. Those are the things which to a large extent go to make a successful military engineer. That is what is required. If we Indians qualify ourselves, certainly no Britisher can come in our way. Whatever may be the past sins, today there is such a spirit prevailing in the country that they cannot but take Indians into the services. Therefore I say it is open to us to acquire those qualifications and qualities which will necessitate and compel the admission of Indians into these services.

*Not corrected by the Honourable Member.

* THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan) : If you will allow me one minute, Sir, I wish to say that I appreciate the remarks made by General Hartley. But I would like to mention one thing, that in the selection of candidates for the army or any other department a great deal must depend on the people who select them and if the people selecting them are selecting them with a view to find out the best candidate amongst the Indians who would come quite near in efficiency or in quality to the non-Indian candidate available, I think a great many more Indians could be found. Another thing is that as General Hartley is accepting this Resolution I would like him to clarify one point which would convince us that he is accepting the Resolution in the true spirit. When he has two candidates before him with equal qualifications and merit, one non-Indian and one Indian, is it the policy of the Department to choose the Indian in preference to the non-Indian or not ?

THE HONOURABLE SIR GURUNATH BEWOOR (Nominated Official) : Sir, before the Honourable the Mover of the Resolution replies, may I say a few words with reference to the remarks that have been made by the speakers just now ? The Honourable Mr. Hossain Imam mentioned that there were plenty of Intermediates who had taken mathematics for their examination and plenty of engineers and that he was surprised that we were not getting sufficient numbers. May I say, Sir, that Government is equally surprised. Government is aware that there is excellent material in the country, that there are men with the necessary education and the necessary suitability for army service. But, Sir, we can call the spirits from the vasty deep, but they must come. We have no general conscription. It is a voluntary service. If you advertise for a job in the Supply Department you get 500 applications ; but if you ask for applicants for the commissioned ranks you get five and not the best of them. The monetary attractions are very good, but then there is the discipline and the risk which the candidate has to accept. Government welcomes these people. The reason why General Hartley mentioned the qualification was this ; when it comes to posting to the specialised jobs like mechanised cavalry, artillery or engineering, a certain amount of technical knowledge is necessary. A particular candidate may be a B.A. with history and economics. He may be a first class man. But you know, Sir, generally speaking not many have the aptitude for machinery or mathematics and people like that if recruited for the technical arms are not very happy. I would therefore say that it is up to the members of this Honourable House to encourage more candidates to come. We on our part have done all we could, by advertisement, by sending literature to universities, to colleges and to high schools, to advertise the fact that there are great openings in the army. We have sent certain selected officers, Indians who have had experience of fighting, for example, Captain Bhagat, V. C., Major Rajendra Singh, to the universities where lectures have been arranged under the auspices of the Vice-Chancellors and these officers have spoken about army life, about the prospects, and have made an appeal to young men. It is up to members like the Honourable Mr. Hossain Imam now to go round and lecture in the Patna University, the Patna Engineering College, and ask the young men to apply for commissions. It has been said that we reject candidates on grounds of unsuitability. The question of suitability is a very difficult one. We had a short time ago a broadcast by General Molesworth on this very question of suitability. We have drawn up a printed pamphlet which we have sent to all the universities and colleges to indicate what the idea of

* Not corrected by the Honourable Member.

[Sir Gurunath Bewoor.]

suitability is. It is a most difficult thing to define. A question was asked whether the members on the Board are really anxious to take them. We have now two Boards. The Board consists of a Chairman, who in the case of both Boards is a very senior member of the Indian Civil Service, who has had 35 years' service and experience of India and who has retired. There is one military member who is the expert adviser and there are two Indians on each of these Boards. These Indians are men of high status and general reputation, men about whose impartiality there can be no doubt. I could mention a few names. We had the Honourable Dr. Paranjpye (now Sir Raghunath Paranjpye), on one of these Boards. At present we have got Rao Bahadur M. C. Rajah. We have had a Sikh gentleman. We have now at Allahabad Pandit Amar Nath Jha, Vice-Chancellor of the Allahabad University, and Sardar Moghal Baz Khan, a Member of the Public Service Commission of the Punjab and the North-West Frontier Province. I need not mention all the names, but the few names that I have mentioned are a guarantee that the members who are on these Boards are anxious to take every possible suitable Indian. If there is any doubt, he is given the benefit of the doubt. If there is a little more doubt, he is sent to the initial training school at Lahore where he is given two months' intensive training and after that there is no interview; he goes straight into the officers' training school. A poser was put by the last speaker asking whether if you had two candidates, an Indian and a non-Indian for the artillery who would be taken. My reply is we will take both, because at present our need for expansion is so great that we want all the men we can get. It was stated that a number of Europeans, Englishmen or non-Indians have been taken. Yes, that is true. But not a single Indian has been kept out. We want every man whom we can get.

THE HONOURABLE MR. V. V. KALIKAR : Are the Chairmen of the two Boards Indians or Europeans?

THE HONOURABLE SIR GURUNATH BEWOOR : They are Europeans. They are retired members of the I. C. S.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Mr. President, my satisfaction at the acceptance of my Resolution is by no means unqualified. Indeed considering the remarks made by General Hartley at the end of his speech, I feel very doubtful whether the acceptance of my Resolution would have any practical effect in increasing the number of Indians in the services with which it deals. My Honourable friend General Hartley said that though there was no discrimination against Indians and they would continue to be appointed to all the branches of the Defence Services, nevertheless it must be understood that Government had complete freedom to post any officer to any branch they liked. I do not know what the need for that qualification was. Nobody doubts the extensive power that Government wield. The only question under consideration at the present time is whether Government would be prepared to take immediate steps to increase the number of Indian officers in the three Services with which my Resolution deals. My Honourable friend General Hartley has not said one word on the subject. He has contented himself merely with telling us that the number of Indian officers in these Services is substantially greater than it was before the war. Of course it is; everybody knows that. In every branch of the army where officer

are required the number of officers is greater and consequently the number both of Indian and European officers is greater. That is a plain question of fact which everybody can understand without the help of General Hartley. The only matter in which we require the assistance of Government is the steps to be taken now to improve the position of Indians in these Services, that is to raise their numbers. My Honourable friends Sir Gurunath Bewoor and Sir A. P. Patro have told us that Government are as surprised as the members on this side of the House to find that although there is no dearth of men who have passed not merely the Intermediate examination but also the M.Sc. and the B.Sc. examinations in this country, the number required for the Services that I am dealing with is not forthcoming.

Sir, we used to hear this complaint formerly with regard to the officers needed for the infantry and the old type of cavalry, but in spite of these complaints we find that the number of Indian young men offering themselves for service in the army is vastly larger than it was before the war. No one doubted our ability to furnish the candidates required, except the army authorities. They were responsible for maintaining an atmosphere of discouragement and keeping down the number of Indians. Things have changed now, but I should like to know why Government find any special difficulty in connection with the officers required for these Services. The knowledge of mathematics required of the candidates is by no means of a high order. I personally think that the methods that have been adopted have not been as effective as they should have been, and, besides, as I said the other day, the treatment meted out to the Indian officers in these Services has been such as to create discontent amongst them. Indian young men feel that they are not welcomed in these Services and I personally do not blame them. My Honourable friends opposite will believe me when I say that I manage to get from time to time information about the doings of the army authorities, which is pretty correct. I understand that the attitude of the authorities towards the Indian officers in the technical branches is, to say the least of it, not encouraging. Take the artillery. The number of officers in it has certainly increased, but the complaints that I have received show that action is taken from time to time which produces the impression that the superior officers judge the Indian officers harshly and in accordance with standards different from those which they apply to British officers. I have had cases in this connection brought to my notice. I do not say that I am in possession of all the relevant facts relating to them but what I have learnt creates in my own mind also the impression that the complaints of the young men who have spoken to me are not unjustified. I know of some cases in which the judgment of the commanding officers of units was not accepted by their superior officers. The condemned Indian officers were fortunate in having the superior officers on their side but if the superior officers had been content merely with accepting the views of the commanding officers they would have been nowhere. This is the state of things, Sir, that requires to be looked into. To tell us that men with a moderate knowledge of mathematics are not available in the country is, if my Honourable friends opposite will pardon me for saying it, absolute nonsense.

THE HONOURABLE SIR GURUNATH BEWOOR : I never said, Sir, that men with knowledge of mathematics were not available.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Therefore, I say that they are not merely available but that they can be had if you change your attitude and if you adopt more effective methods.

[Pandit Hirday Nath Kunzru.]

Sir, I pass on now to the Indian Armoured Corps. My Honourable friend General Hartley told us that while there were no Indian officers in the two regiments in such units before the war there are about 100 officers now. That may be perfectly true; I do not doubt that statement.

THE HONOURABLE GENERAL SIR ALAN HARTLEY : It is true.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : But I should like to know in that connection what is the total number of the cadets that are being trained as engineers and how many of them are Indians. I asked for this information the other day but Mr. Williams refused to give it on the ground that the proportion was changing from time to time. Of course, the proportion not merely of candidates under training at any particular school but of officers also changes as time goes on, but that is not regarded as a ground for denying us the information that we seek. Why has this ground been taken in order to refuse the information which would have been useful to us in discussing this Resolution. Sir, in the country so far as I know there are three schools where engineers are being trained : they are at Roorkee, Kirkee and Bangalore and I understand that at least at Kirkee and Bangalore the number of Indians receiving training is exceedingly small. That it seems to me is the main reason why the information I asked for was not given. Now, so far as the question of the supply of engineers is concerned, I think I am on even stronger ground than in respect of the artillery. We have been told that the training required is of a very high order and that although the period of training has been reduced, a sufficient number of qualified men is not available. I know of instances in which Indians with British qualifications have been sent away on the ground that they did not possess—mind you, not technical knowledge or knowledge of mathematics of the Intermediate standard but initiative, personality and character, those blessed qualities of which the army authorities, whose one business all these years has been to prevent an increase in the number of Indians, are the sole judges. Sir, we have been told of the qualifications that are required for these Services. But I think that we shall be able to consider this question in its true perspective only when we know the qualifications of non-Indian candidates who are selected. Are they all men who have had a previous engineering training? Are they men who have taken any diploma or degree from any university or institution? So far as I know, many of them are receiving engineering training for the first time and cases have been brought to my notice of the promotion of British non-commissioned officers who apart from any experience that they might have acquired in workshops have no knowledge of engineering. This is the manner in which differentiation is made between Indian and British candidates. If Government go about the thing in the right way and accept the services of Indian engineers and go lower down the scale and accept Indians with a lower standard of education just as they accept British and non-commissioned officers for promotion, there is no reason why a much larger number of Indian engineers should not be forthcoming for appointment in the Indian Corps of Engineers.

I do not think I need to deal with the figures relating to the Indian Armoured Corps—

THE HONOURABLE THE PRESIDENT : Please be very brief, because, even the mover of a Resolution is only allowed 15 minutes for reply.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU—as the same considerations apply to this Service as they do to the other two Services.

Sir, I think I have dealt with all the points that have been raised. My Honourable friend the Additional Defence Secretary told us that Indian officers had been appointed to meet Indian young men in order to attract them to these Services, and he mentioned the name of Captain Bhagat, V. C. As I said the other day, the example of Captain Bhagat itself shows that the position of Government is not a very strong one. I said that there were men with hardly any previous engineering training or with a moderate amount of training who were quickly promoted after their first appointment and had in some cases become commanding officers of units. If the need for commanding officers is so great that you cannot wait till you have fully trained officers, then why not take some of the tried and trusted Indians that you have and put them in that position? But the fact is, Sir, that Government have fought shy or are fighting shy of appointing Indians in charge of units.

THE HONOURABLE GENERAL SIR ALAN HARTLEY : No.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Of course you will say "No", but I repeat what I said before with greater emphasis because I know what I am speaking about. I know what the position of Indian officers is and a flat denial, such as that coming from General Hartley will not mend matters in my opinion.

I do not wish to say anything more. But, before I sit down, I will ask General Hartley to tell us what practical effect the acceptance of this Resolution will have. Will Government take determined steps now to increase the number of Indians in these Services and to attract them as much as possible? At present they are obtaining, I understand, a very large number of Britishers from England. This should become almost unnecessary should Government go about their business in the right way. It is a serious reflection on them and a libel on the country to say that men with the moderate standard of qualifications required for these Services cannot be obtained in this country.

THE HONOURABLE GENERAL SIR ALAN HARTLEY : Sir, there are really only two things that I wish to say. I should like to reiterate what I said yesterday that we are short of officers and we want to take all the Indians that we can, and I asked Honourable Members of this House yesterday to help us in this matter. The other thing which I want to say is that in accepting this Resolution I make no mental reservations or qualifications whatsoever.

THE HONOURABLE THE PRESIDENT : Resolution moved :—

"This Council recommends to the Governor General in Council that immediate steps be taken to provide that Indians are freely appointed as officers in the Indian Corps of Engineers, Indian Artillery and Mechanised Cavalry."

Question put and Motion adopted.

CANTONMENTS (AMENDMENT) BILL.

THE HONOURABLE THE PRESIDENT : We will now proceed with the Cantonments Bill.

THE HONOURABLE SIR GURUNATH BEWOOR (Nominated Official)
Sir, I move :—

"That the Bill further to amend the Cantonments Act, 1924, as passed by the Legislative Assembly, be taken into consideration."

Sir, since the Cantonments Act was last amended about a year ago, several practical difficulties have come to notice in the working of this Act. These difficulties have been due in many cases to there being insufficient provision or

[Sir Gurunath Bewoor.]

lack of provision in the Act to meet the situations that have arisen. It is, therefore, now proposed to make provision to deal with these difficulties. Advantage has also been taken of the opportunity to clarify some of the other sections of the Act where similar difficulties may be expected to arise. The amendments, Sir, are miscellaneous and range over various provisions of the Act. The purport of each of these amendments is explained in the Notes on Clauses and they are, I hope, sufficient to explain why the amendments have been undertaken. There is no important question of principle involved in any of the amendments now under consideration. I do not, therefore, think it necessary for me to enter into details at this stage.

Sir, I move.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadian) : Mr. President, I should like to ask my Honourable friend the Defence Secretary to tell us in greater detail what is the reason for the amendments proposed in clause 3 and clause 8 of the Bill. Clause 3 relates to the election of the vice-president of the Cantonment Board. Now this official is to be elected from among the elected members of the Board. This is provided for in section 20 of the Cantonments Act. It is said in sub-section (3) of section 20 that in every Board in which there is more than one elected member there shall be a vice-president elected by the elected members only and from among their number. We see, thus, that this sub-section lays down two important qualifications. One is that the vice-president shall be one of the elected Indian members and the other that he shall be elected by the elected members. Government now propose to take power to provide for these elections in accordance with such procedure as they may by rule prescribe. I want to know in the first place whether any difficulty has been felt in this respect up to the present time. If any difficulty has been felt, what is it? Again I want to know what Government intend. Do they want to provide only rules of the kind that are applicable, say, to the election of the president or vice-president of a municipality, rules which require only that certain provisions of the law should be complied with, or does Government intend to go further than this and give any military officer or the president of the Cantonment Board any power that he does not enjoy at the present time? I hope that all that is intended is to lay down rules according to which the election is to take place, and that neither the conduct of the election nor the election itself will in any way be affected by the procedure that Government may prescribe.

Now I will pass on to my second point, that is the amendment of section 99 of the Act proposed in clause 8. Section 99 mentions certain places which shall be exempt from any tax on property. They are, "places set apart for public worship and either actually so used or used for no other purposes, or buildings used for educational purposes and public libraries, playgrounds and *dharmsalas* which are open to the public and from which no income is derived, hospitals and dispensaries maintained wholly by charitable contributions, burning and burial grounds not being the property of Government or a Board which are controlled under the provisions of this Act, buildings or lands vested in a Board", and lastly, "any buildings or land used or required for the public service or for any public purpose which are the property of or under the occupation of the Government". Now it is proposed to qualify the exemption by inserting the words "other than a tax imposed to cover the cost of specific services rendered by the Board". At the present time the privilege which buildings of the character I have mentioned enjoy in respect of exemption

from taxation is complete. It is now intended that it should be made partial. It is proposed to subject them to certain kinds of taxes. What are the taxes which Government wish to impose? This amendment raises two points, one the limitation of the exemption from taxation hitherto enjoyed by buildings used for certain purposes, and the other that the specific services for covering the cost of which taxes may be imposed on such buildings have not been mentioned. I suppose therefore that it will be for Government to decide what are those specific services for which these buildings should be taxed. I think that the amendment is unsatisfactory in both these respects. There is no reason why the privilege enjoyed by the institutions that are at present free should even partially be taken away. Why should a place of worship or a public hospital or a burial ground be subjected to any taxation from which it is free? If however Government mean to use this power only for certain well defined objects they ought to tell us what those objects are. They ought not to take this undefined power which will make them masters of the situation and enable them to do anything that they like in the future. Sir, unless my Honourable friend the Defence Secretary can explain the points that I have raised to our satisfaction I am afraid I shall not be able to give my support to the amending Bill that is before the House.

***THE HONOURABLE MR. HOSSAIN IMAM** (Bihar and Orissa : Muhammadan) : Mr. President, now at this moment when the reforms have given greater and greater power to the Provincial Governments and to local self-government, it is strange that the Central Government should commence the innovation of bringing under taxation public utility buildings which are not used for other private purposes or for residence under the control and taxation of the Cantonment Boards. I entirely agree with Dr. Kunzru's point that this power which is being conferred on the Cantonment Boards is not in consonance with the movement of the times or with the practice in the Provinces. In the Provinces there is no general exemption. The power vests in the Boards to exempt them and usually institutions of this kind are exempted.

12 NOON.

The power of taxation has been given to the local bodies because it was thought that under the garb of a name, a religious institution or hospital people might have institutions for profit and therefore discretion was given to the local bodies. Here the definition as given in the original Act is very clear and there is no chance in section 99 of the Act that misuse can be made of this provision. In view of that definite and express exclusion of profitable utilisation of buildings there is no reason why it should be subjected to taxation.

Next, Sir, I come to section 76 which is being amended by section 7 of this Bill. The principle whereby Government is going to charge from householders tax even for the period of vacation in hill stations is sound. In hill stations you have got a season. If the house is let for the season and you utilise the rent for the whole year, there is no reason why you should give exemption for out-season vacancy of the house. That system has not been carried to its logical conclusion. If the house remains vacant during the season, you ought to give him rebate on the proportion of the days it was vacant to the whole year. You charge on the seasonal basis and you give rebate on the yearly basis. You are really inclined to have it both ways. Where the profit of the Government is concerned and the householder's liability to pay tax is concerned, he is charged on the seasonal basis. But when he wants a rebate and a refund, then you do not take that season as your basis. I think, if not by amendment of the

* Not corrected by the Honourable Member.

[Mr. Hossain Imam.]

Act at least by notification, it can be rectified. The wording is so wide that it can be used for seasonal basis too. Now I come to section 31. Their methods of collection are given. Government perhaps is not aware—

THE HONOURABLE SIR GURUNATH BEWOOR: Which clause is the Honourable Member referring to?

THE HONOURABLE MR. HOSSAIN IMAM: It does not form part of the Bill; it comes indirectly in section 27 where the election of office-bearers—

THE HONOURABLE THE PRESIDENT: That is not being amended.

THE HONOURABLE MR. HOSSAIN IMAM: I am drawing the Government's attention in connection with the election of office-bearers of this Board. The system of election for the cantonments is not given in the Act itself. The power is vested in the Government to lay down the boundaries of the ward or division of the people by means of a notification. I wish to draw the Government's attention to the fact that the Muslim League has been demanding that separate electorates should be provided in local bodies and if it is possible for the Government by notification to bring in this desirable change I hope they will bring in this change.

THE HONOURABLE SIR DAVID DEVADOSS (Nominated Non-Official): A very undesirable change.

THE HONOURABLE MR. HOSSAIN IMAM: I have nothing more to add, Sir.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadian): Sir, I have to offer a few observations on certain clauses of the Bill the principles of which are not quite clear to me. I would say nothing Sir, about clause 1. I will invite the attention of the Honourable Sir Gurunath Bewoor to clause 3. Now in clause 3 a change is proposed. I have compared the present section with the proposed sub-section. Under the present section the Board elect their own vice-president and the procedure for electing the vice-president is laid down. Sub-section (3) reads as follows:—

“In every Board in which there is more than one elected member, there shall be a vice-president elected by the elected members only and from among their number”.

Therefore the rights and position of elected members is safeguarded by statutory enactment and what is proposed is that for this procedure we should have executive discretion, that is to say, that the vice-president shall be elected in accordance with such procedure as the Central Government may by rule prescribe. What is the defect of the present procedure and why is it necessary to change the present procedure? I should have thought that we would be enlightened on this point; but as matters stand, I cannot give my support to clause 3. Is it contemplated by Government to deprive the elected members, assuming there is more than one elected member, of the right to elect their vice-president? If it is desired to deprive the elected members of the right to elect a vice-president, all that I can say is that the change contemplated by Sir Gurunath Bewoor is of a reactionary character and we who believe in the elective principle cannot give our support to it. Passing on from clause 3 to clause

6 I should like to point out that there is a change contemplated in section 34 of the Act. This is the change:—

“In clause (a) of sub-section (1) after the word ‘becomes’ the words ‘or is found to have been at the time of his election or nomination’ shall be inserted”.

Now clause 4 deals with the disqualification of members. Why should retrospective effect be given to the disqualification? What is the difference that Government find between these words “becomes” and “or is found to have been at the time of his election or nomination”? I have an open mind on the question. I do not say that I am opposed to the clause. I do not say that I am in favour of the clause. I want to be enlightened as regards the object and nature of this clause.

Then, Sir, I shall pass on to section 8:—

“In sub-section (2) of section 99 of the said Act, after the words ‘any tax on property’ the words ‘other than a tax imposed to cover the cost of specific services rendered by the Board’ shall be inserted”.

Now, if you read the proposed change in section 9 you will find that under the law as it stands at present places of worship and burial grounds, hospitals and schools have been specifically exempted from taxation for all purposes. Why is it contemplated to change this rule? Why do you want now to take power to put taxes on places of worship, burial grounds, schools and hospitals. I think, Sir, I need not invite the attention of the House to the section; I think I have made my point clear. I hope that Sir Gurunath Bewoor will enlighten us on this question also. If you will look at section 99 clause (2) you will find that there is a specific provision there that the following buildings and lands shall be exempted from any tax on property, namely, places set apart for public worship and either actually so used or used for no other purpose; buildings used for educational purposes; hospitals and dispensaries; burning and burial grounds; buildings or lands vested in a Board; and any buildings or lands used or acquired for the public service or for any public purpose, which are the property of, or in the occupation of, the Government.

The responsibility for providing amenities for these places will be thrown on the public places and I do not therefore like this change. So far as the other sections are concerned I have no objection to them but I would like to say a few words about the question of separate electorates, which was raised by the Honourable Mr. Hossain Imam. I know that the Honourable Mr. Hossain Imam is a warm believer or is a warm advocate of separate electorates. We on this side of the House have a different attitude towards the question of communal electorates.

THE HONOURABLE THE PRESIDENT: That is not the question before the House.

THE HONOURABLE MR. P. N. SAPRU: He made a suggestion and therefore—

THE HONOURABLE THE PRESIDENT: But I checked him.

THE HONOURABLE MR. P. N. SAPRU: I should like to indicate that so far as we are concerned we are not obsessed by communalism. We look at questions from the national point of view. Speaking for myself I do not know that I have any race bias; I do not know that I have any nationality bias; I try to look at questions from an international point of view myself. I

[Mr. P. N. Sapru:]

I am interested in the common man. I am not interested in rajas maharajas, nawabs, taluqdars, landlords, millionaires. I like to be unfair to no class but I think that the future of this country lies in economics dominating the sciences. I do not think, with all respect to Mr. Hossain Imam, that the leader of the Muslim League, who is following rajas, maharajas and nawabs, can look after the interests of the poor man as well as, for example, my respected friend Mr. N. M. Joshi who has devoted his whole life to welfare work for the poor.

THE HONOURABLE MR. HOSSAIN IMAM: What about Mr. Savarkar?

THE HONOURABLE MR. P. N. SAPRU: Mr. Savarkar's ideology is not exactly the same as my ideology. My ideology is quite different.

I just wanted to say that I am opposed to communal representation of the nature suggested by the Honourable Mr. Hossain Imam in any shape or form.

THE HONOURABLE THE PRESIDENT: It is a waste of words. The issue is not before the House at all.

THE HONOURABLE SIR GURUNATH BEWOOR (Nominated Official): Sir, I will deal with the relevant points raised by the speakers who have preceded me.

Taking first clause (3), which provides an addition to sub-section (3) of section 20, the Honourable Pandit Kunzru fears, and so does the Honourable Mr. Sapru, that this is going to deprive elected members of their right. Well, Sir, there is no intention whatsoever of doing this. In the notes on the clauses it has been explained that section 20, sub-section (3), at present affords no procedure for dealing with an equality of votes in an election of a vice-president of a Cantonment Board. Now what happens is this. If Honourable Members will see section 30 of the Cantonments Act they will find that cantonments are divided into three classes and the number of elected members in each cantonment is based on the population. Now it so happens that the number of elected members in some cantonments is four and they have to elect from among themselves one vice-president and if there is an equality of votes we are absolutely left without a vice-president. Therefore all that the Government is now taking power is to lay down the procedure. The procedure to be laid down will probably be that in case of an equality of votes, lots shall be drawn. But at present there is no provision at all. It is not at all intended to take away the power which elected members have got of electing a vice-president from among the elected members only and by the elected members only.

Now, Sir, coming to clause 8 of the Bill, which provides for an amendment to section 99, this is a difficulty which has arisen as a result of a legal interpretation. In many cantonments the Boards provide various sanitary services. They provide conservancy, water, and so on. For these services taxation is imposed. Now in some cantonments taxation is based on property; in other cantonments it is based on letting value. Now where the tax is based on property even though the tax has been imposed for purposes of services rendered it has been held that it comes within the mischief of section 99 (2), namely, that tax is a tax on property and therefore all those buildings are exempt. Now, while I have every sympathy for places mentioned in, say, (a), (b), (c) and (d) you will see that clause (f) talks of buildings in the occupation of the Central or Provincial Governments. Consequently we have been reduced to this peculiar position that if a military officer is staying in a

rented building he has to pay the tax on property for conservancy and water, but, if he is staying in a Government building, in a building owned by Government, he does not pay any tax for conservancy and water, because it has been held that a tax based on the value of property is a tax on property and therefore all these are exempted. It is to get over this difficulty that this amendment is proposed. Honourable Members will see that section 99A which follows section 99 says that—

“the Central Government may, by notification in the official Gazette, exempt either wholly or in part from payment of any tax imposed under this Act any person or class of persons or any property or goods or class of property or goods”.

Therefore, I do not think there is any fear that this amendment would result in the compulsory taxation of all the items mentioned in sub-section (2) of section 99.

Coming to clause 7 which was mentioned by the Honourable Mr. Hossain Imam, I entirely agree with the remarks which he made, but I am afraid he made those comments without seeing the very last words of the amendment. It says here:—

“...the Board shall remit or refund such portion of any tax assessed on the annual value thereof as bears to the whole of the tax so assessed the same proportion as the number of days during which the building or land has remained vacant and unproductive of rent bears to the total length of the season”.

The proportion is the total length of the season and the number of days during the season that the house has been vacant. So, the object which the Honourable Mr. Hossain Imam has in mind is achieved by that particular provision.

As regards communal electorates I have nothing more to say because it is not relevant.

THE HONOURABLE THE PRESIDENT: I think Pandit Kunzru also referred to clause 6. You have not answered him on that point.

THE HONOURABLE SIR GURUNATH BEWOOR: I am sorry, Sir. It was the Honourable Mr. Sapru. He asked why this is made retrospective. The matter is really very simple. At present section 34 says that the Central Government may remove from a Board any member thereof who becomes subject to any of the disqualifications. We had a case in which we discovered, after the man had been nominated to a Board, that he was subject to the disqualification. We wanted to remove him, but the Act as it stands at present prevents us from doing so, because it says “becomes” which means “subsequent to his nomination”, and that is why this small amendment is made so that if it is discovered after he has been nominated, we can remove him.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask a question, Sir? Do we take it that items (a), (b), (c) and (d) of section 99 will be exempted by the Government?

THE HONOURABLE SIR GURUNATH BEWOOR: Sir, I cannot give any undertaking, but I quite recognise that it is usual in various municipalities to give exemptions and I have no doubt that the same general principles will be observed.

THE HONOURABLE THE PRESIDENT: Motion moved:—

“That the Bill further to amend the Cantonments Act, 1924, as passed by the Legislative Assembly be taken into consideration.”

Question put and Motion adopted:

Clauses 2 to 12 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR GURUNATH BEWOOR: Sir, I move:—

“That the Bill, as passed by the Legislative Assembly, be passed.”

The Motion was adopted.

RESOLUTION *RE* EXAMINATION OF THE LAW OF CONTEMPT OF COURT.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. President, I beg to move:—

“That this Council recommends to the Governor General in Council to undertake an immediate examination of the law of Contempt of Court as administered in British India and to take such measures as may be found necessary to amend and consolidate the law on the subject, with a view to its improvement and better administration.”

Sir, contempt of court, as every one who has devoted any attention to the matter knows, is of various kinds. In Halsbury's *Laws of England* it is stated that it may be, broadly speaking, of two kinds. It may amount to criminal contempt or it may be contempt in procedure. Further analysing the matter, we find that contempt is of two kinds, contempt committed in the face of the court and contempt of court of which a man has been guilty through speech or writing. Now, the first kind of contempt, i.e., contempt committed in the face of the court, is not the kind of contempt I shall be concerned with today, although in this connection I was told a story the other day by a Delhi lawyer which I think the House should know. A young lawyer appearing in a case in a court in Delhi was rather pertinacious and when the court expressed the opinion that a question put by him was irrelevant, he argued that he should be allowed to put it. This enraged the court so much that it ordered an officer known here as the Naib Court, who, I understand, has the rank of a sub-inspector or an even lower rank, to arrest him and hand-cuff him.

THE HONOURABLE THE PRESIDENT: This in Delhi?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: So, I understand, Sir. I was astonished when the story was related to me and I could not help laughing. But the lawyer said to me, “You may laugh at it, but the man concerned did not know what to do for the time being”. However, the man was not arrested. The other lawyers intervened and the court did not insist on his being arrested. I have mentioned this instance to show how young lawyers consider their independence affected by the present state of the law of contempt of court. I shall, however, not deal with this particular kind of contempt, as I have already said, because I have to deal with a much more important kind of contempt.

Now as regards contempt by speech or writing, it may be of various kinds, it may for instance take the form of scandalising a court or a judge or it may consist in making remarks against the parties to a case or their lawyers, and so on.

THE HONOURABLE THE PRESIDENT: Or the publication of matters *sub judice*.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Yes, Sir, that is another illustration of it. And lastly it may take the form of creating prejudice against certain parties before their case has been heard. These are the various kinds of contempt which fall under the second category. Now the particular kind of contempt under this category which has exercised the public mind most is that which relates to the scandalising of a court or judge. Before dealing with this question further I should like to point out that it is not merely the uninstructed layman who thinks that the law as it stands at present is not in accord with the changing times. This is the view taken also by the highest judicial authority in India, the Chief Justice of India. In dealing, Sir, with a petition for contempt filed by Mr. K. L. Gauba in the Federal Court Sir Maurice Gwyer said:—

“The law of contempt of court has at times been stretched very far in British India”

The same authority dealt a little more fully with the matter at Allahabad in February last. Sir Maurice Gwyer took the opportunity of unveiling the portraits of the late Sir Shah Sulaiman and Sir John Thom to deliver himself of sentiments which deserve to be quoted on an occasion like this. He said:—

“We are now in the presence of such mighty events and the world is so full of new and revolutionary ideas that even the law and its practitioners cannot expect to remain untouched by them. We may therefore anticipate a greater measure of criticism in the future than we have ever had in the past and we should be prepared to meet it. In my view the profession, not excluding the judges themselves, ought never to resent honest criticism no matter how far it goes, for we are public servants discharging public duties. Changes will come and are not necessarily evil merely because they are changes, and I hope that the profession will never refuse to examine every proposal for a change with sympathy and attention, provided—and that is the all important condition—that there is no attempt to interfere with the independence of the judiciary and open and upright administration of justice. It is upon these two foundations that the safety and security of a State are built”.

Sir, the quotations that I have placed before the House show that the judicial authorities themselves consider that the interpretation placed upon contempt of court by judges in India has passed beyond the limits which can be accepted as reasonable. The words used by Sir Maurice Gwyer at Allahabad will I am sure be heartily concurred in by every Member of the House.

THE HONOURABLE THE PRESIDENT: But it is opposed to the view taken in England.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I am not acquainted, Sir, with the English law, but all that I can say is that the British law or procedure as such cannot be made applicable to India. Apart from this Sir Tej Bahadur Sapru pointed out in a recent case, as my Honourable friend Mr. Sapru reminds me, that there has been no

[Pandit Hirday Nath Kunzru.]

case of scandalising a court of a judge for a very long time in England. But leaving the English law apart, I shall come to the law as it is administered in India.

Having established that the judicial authorities themselves feel that the view so far taken of contempt of court stands in need of revision, we have to consider what are the points that ought to be brought under examination if the law of contempt of court is to be amended and placed on a more satisfactory basis. Four questions arise in this connection in my opinion. The first is, what is the meaning of contempt of court, what amounts to contempt? The second is, what is the jurisdiction of the High Court in the matter of contempt? The third is, what is the extent of punishment that can be imposed for contempt? And the fourth is, the right of appeal of a person convicted for contempt.

I shall now deal with the first point. I shall not deal with it at any length because we have the Honourable the Law Member here, who because of his vast experience at the Bar and also as a Judge possesses a knowledge of this question which no one here can lay claim to. I will however briefly draw the attention of the House to certain important cases relating to contempt of court that have recently been decided in British India. It is not my desire at all to reflect on any of the High Courts that have had to deal with the cases that I shall refer to. I shall place certain facts relating to those cases before the House only in order to show that there is need and great need for the revision of the law as it stands at present. Now the first case that I shall refer to is the *Amrita Bazar Patrika* case. The editor of this paper was prosecuted for contempt of court in the Calcutta High Court in March, 1935. The House I am sure would like to know what was the article in the paper which was held to constitute contempt of court. The paper commenting on a speech that had been delivered in the Bengal Legislative Council said:—

"We are glad to find that in the Bengal Legislative Council yesterday there was a discussion about the administration of the Calcutta High Court. Every word of Mr. N. K. Basu was true. It is so unfortunate and regrettable that at the present day the Chief Justice and the Judges find a peculiar delight in hobnobbing with the executive, with the result that the judiciary is robbed of its independence which at one time attracted the admiration of the whole country" and so on.

Now, Sir, although the comments of the *Amrita Bazar Patrika* were not complimentary to the Judges, it is difficult for a layman to agree with the view that they would have brought the administration of justice into contempt. They did not relate to any particular case nor did they tend to create any doubt regarding the ability of the Judges to administer the law properly—

THE HONOURABLE SIR DAVID DEVADOSS (Nominated Non-Official): They attacked the independence of the Judges.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: The remarks may have been regrettable. But the point is, were they of such a character as to make the editor liable to the summary jurisdiction of the High Court? I shall deal with the question of summary jurisdiction later on. But what I have said already and the remarks made by Sir David Devadoss show that the time has come when the narrow view so far taken of contempt of court should be altered, and that all criticism of the Judges should not be resented. Judicial authorities have themselves expressed the opinion that the Judges are open to criticism and that they should not resent criticism even of a far-reaching character, provided it is honest.

THE HONOURABLE THE PRESIDENT: There is one point I would like to know. What are you attempting to show? That there should be a codified law on the subject?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I will make some specific suggestions later. But as I am suggesting that the Government should consider the whole matter they will have a full opportunity of deciding what steps should be taken to bring about an improvement in the present state of things. If by any definition the limits within which a man will make himself liable to prosecution for contempt of court can be clearly laid down, it will be a great advantage; but it will have to be seen on examination whether a definition can be devised which will serve the purposes I have in view.

THE HONOURABLE THE PRESIDENT: It has not been devised for many years in England yet, and the whole law in England is one to be gathered from case law. Is it possible therefore to define it here?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Not being connected with the law courts, I have not the same respect for tradition and antiquity as lawyers may have. I have read certain cases of contempt of court which have occurred in England and it has been a marvel to me that the present state of the law has been tolerated for so long in a freedom-loving country like England. What is happening therefore in England can be no argument against the point of view that I am urging today.

Sir, I shall now deal rapidly with one or two other cases that I want to draw the attention of the House to. The second case that I shall refer to is that in which an Advocate of the Allahabad High Court, Mr. Kapil Deva Malaviya and the editor and printer and publisher of the *Leader* were involved. Here what was held to constitute contempt of court was an article contributed by Mr. Kapil Deva Malaviya to the *Leader* the purport of which was that lawyers had been promoted to the Bench whose qualifications were not of a high order. I am merely paraphrasing the words in my own way; I am not quoting the exact words used by the lawyer. The Right Honourable Sir Tej Bahadur Sapru who appeared on behalf of the *Leader*, and I believe also of the Advocate concerned, argued this case with an ability which has been recognised by men belonging to his own profession. The substance of his argument seems to me to be as follows. In a case for contempt of court it is not technical contempt so much that should be considered as the motive of the person concerned and the effect that his speech or writing would have on the administration of justice. The High Court convicted the persons concerned of contempt of court. They appealed to the Privy Council for leave to appeal. I understand that the Judges of the Privy Council expressed the view that the publication complained of did not amount to contempt but refused to grant leave to appeal as according to them no appeal lay against an order of conviction passed in a trial for contempt. The most recent case is that of the *Hindustan Times*. I should have liked to refer to it in some detail but as the facts are well known, I will not do so. It seems to laymen, that though the statement published in the *Hindustan Times* was held to constitute contempt of court, the purpose that the judicial authorities had in view would have been better served by merely issuing a denial of the allegation published in the *Hindustan Times*. These are the three cases that I wish to refer to. I will, however, in passing refer to another case, that of Mr. K. L. Gauba before the Lahore High Court. Let it not be thought that I am defending the allegations made by Mr. Gauba, but the point is that the very men whose uprightness had been impugned by

[Pandit Hirday Nath Kunzru.]

Mr. Gauba constituted largely the court which was going to try him. There was a third Judge, but he was an officiating Judge. Apart from this, Sir, the Chief Justice in his judgment has justified the procedure that was adopted. I will not quote from his judgment because it is unnecessary, but if the ground that he has given in defence of the present state of things is correct, then every man may be made a judge in his own case. Apart from this, although the judgment of the Lahore High Court contains refutations of the allegations made by Mr. Gauba, he was not allowed to adduce evidence. I can understand the High Court punishing him for contempt of court on the ground that the truth or falsity of the allegations did not matter at all. But if the authorities wanted to disprove the allegations made by Mr. Gauba then I think he should have been given an opportunity of producing evidence.

Sir, these are all the cases that I wished to refer to. They make it necessary for us to consider the second point, that is the jurisdiction of the High Courts in the matter of contempt. Now, where the entire Court is scandalized one may say that the particular Bench that is constituted to try a case is a matter of no particular importance, but where a particular Judge is scandalized the matter assumes a different character. As I have already said, Sir, the jurisdiction is of a peculiar kind. The accused cannot plead the truth of his allegations, cannot justify his action on the ground that it is based on truth. Besides action in cases of contempt is taken under the summary jurisdiction of the High Court and thus creates a great deal of embarrassment for the Judges as well as the accused. The embarrassment that it causes was referred to by Mr. Justice Mukerjee in the course of his judgment in the *Amrita Bazar Patrika* case to which I have already referred. I will not quote from the judgment at length because it is well known but I may be permitted to point out that he observed that the embarrassing situation in which the Court itself is placed when it adopts that procedure is apparent and that the "great disadvantages that it causes to the party brought up before the Court to be dealt with, precluding him from right of appeal and depriving him of his defence are obvious". Well, this shows, Sir, that the present method of trial also stands in need of change. If I may refer, Sir, again to the *Hindustan Times Contempt Case* I would point out that the Chief Justice, who was himself concerned, was one of the Judges who decided whether the conduct of the *Hindustan Times* and its reporter amounted to contempt of court. I do not dispute the accuracy of the Court's judgment but perhaps the House will allow me to point out that the proceedings of that case show that the questions to the witnesses were put more by the Chief Justice than by the Advocate-General. The Chief Justice was, of course, within his rights in putting the questions that he did but it is obvious that in a case of this kind, when the Chief Justice puts the majority of the questions, the effect on the public mind will not be of a very desirable character. The dignity of the High Court, instead of being enhanced, will be impaired. My suggestion, therefore, Sir, in respect of this particular case is that the Judges who are scandalized should not form part of the Bench constituted to deal with an offender for contempt of court.

THE HONOURABLE THE PRESIDENT: They do not usually sit in such cases.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Well, Sir, it has been held that they have a right to sit and since you have referred to this

matter, I will draw your attention to a very short quotation from the judgment of the Lahore High Court in the *Gauba Case* to which I have just referred:—

"While it is unpleasant for any Judge", it is stated in the judgment, "to have to sit in judgment in a case in which he has been personally attacked, I consider it his duty to do so where, as in this case, he has been the subject of a malicious and impudent publication containing imputations which are obviously false and of which he himself has the best knowledge of the falsity. I would go further and say that he has no alternative but to sit. As the authorities to which I have referred clearly indicate, it is impossible to vindicate the reputation of the Court which has been attacked by taking proceedings in any Court for libel or otherwise".

Sir, if this observation is to pass unchallenged I do not think, moderately speaking, that the confidence of the public in the administration of justice by the High Courts can remain unimpaired. A doctrine has been enunciated here with which at any rate no layman can agree and with which in the public interest it is our duty to disagree emphatically.

And now, Sir, I shall deal with the extent of the jurisdiction of the Court and the punishment that it has a right to inflict and I shall deal with both these points very briefly.

THE HONOURABLE THE PRESIDENT: Please be as brief as possible. You have already taken a lot of time.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I shall be as brief as possible because it is not necessary to deal with these points at length. The question of the territorial limits of the jurisdiction of the High Court has never been fully considered. Questions have arisen, I understand, in which this matter might have been raised but the persons concerned declined to raise them. Nevertheless it is a matter, I think, that requires consideration. It should be made clear whether a man who does not live within the jurisdiction of a High Court can be tried for contempt of court by it.

As regards the extent of punishment, Sir, this too has given rise to complaints. In the *Leader* case, to which I have already referred, the Privy Council came to the conclusion that the matter complained of did not constitute contempt of court but could give no relief. The *Leader* was fined but this was not the only punishment that was imposed on it. Action of an extra judicial character also was taken against it. It was taken afterwards and the *Leader* was, by an order of the High Court, deprived of the advertisements that it received either from the High Court or from the courts subordinate to it.

THE HONOURABLE SIR SULTAN AHMED: I do not think any provision of law can stop that.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Nobody will dispute my Honourable friend's—

THE HONOURABLE THE PRESIDENT: But if the High Courts themselves decline to give them advertisements how can you help?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Sir, if the High Courts issue directions to their subordinate Courts not to send advertisements to a particular paper whose conduct in a certain case it has disapproved this may not be against the law but it deserves a little more serious consideration than has so far been given to it.

Sir, these are the main points that I wish to place before the House and they raise the question whether a man who is convicted of contempt of court should have any remedy after his conviction. Should there be any right of appeal? It has been held so far that no right of appeal exists and I have no doubt that the law has been correctly interpreted. But

I. P. M. what we have to see is whether the law should not be changed in this respect. If a judge is scandalised, he does not stand exactly in the same position as a high executive officer on whose conduct strictures are passed. There is a difference between the position of executive and judicial officers. But is the difference so great that the man who is guilty of contempt of court should not be given the right of appeal to any other court in order to justify and vindicate his position? If this right of appeal is granted, then the question of the truth or falsity of the allegation made can also come under review and I personally think that it is very desirable that such a procedure should be adopted.

THE HONOURABLE THE PRESIDENT: Is it expedient?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: This is a solution which experience seems to call for. Let me take the case of the Lahore High Court again. I shall not say anything which will throw doubt on the correctness of its judgment but I personally think that the interests of the Court would have been better served, and that its reputation for the impartial administration of justice would have been better preserved, had the truth of the allegations made against it been tested before an independent judicial authority. The Judges would not have lost anything thereby but would have gained a great deal in the public estimation. The reputation of judges cannot be preserved by merely punishing persons who bring serious charges against them for contempt of court. The point is so clear that I need not dwell any more on this matter. I have ventured to direct attention to it in order to make my Honourable friend the Law Member realise not merely the strength of feeling that exists on the question but the very difficult position in which those persons are placed who are either aggrieved or who consider it their duty to criticise the conduct of judges. No one wants that aspersions should be cast on judges. But, at the same time, they should not be regarded as sacrosanct and immune from criticism. In order that my purpose may be fully achieved, I feel—and many lawyers of long experience hold the view—that a right of appeal should be granted at least in certain kinds of cases of contempt of court.

I do not think I need take the time of the House further by discussing the points that I have raised, but in order to clinch the matter, I will end by citing the opinion of a judicial authority just as I began by citing the opinion of another such authority. The opinion that I am quoting is that of the Chief Justice of the Bombay High Court on an application filed by the Government pleader, High Court, Bombay, that action for contempt of court be taken against one Tulsidas Subhan Rao Jadhav:—

“It is a class of contempt”, said the Chief Justice, “usually referred to as ‘scandalising the courts’ and the principle on which the Court proceeds in taking notice of that class of contempt is based on the interest of the public and not on the interest of the particular Court or Judge which is attacked. It is in the public interest that confidence should

exist in Courts of Justice and if an attack is made upon a judge who is not in a position to answer the attack, the authority and prestige of the judge tends to be lowered in the estimation of the public and that is contrary to the interests of the public. At the same time one has to recognise that in the long run the degrees of confidence reposed in the judiciary will depend on the character of judicial work, and confidence cannot be for long artificially engendered by the simple process of stifling criticism. It has been laid down many times and by the highest tribunals that judges are not immune from criticism and that fair and reasonable criticism of a case which is finished is not objectionable. The process of contempt of court for scandalising the Court, a process in which the Court is both the Prosecutor and Judge and in which the respondent is deprived of the ordinary methods of trial is one which should be sparingly used. Lord Morris, in the case of *McLeod v. St. Aubyn*, said that committals of contempt of court by delivering the opinion of the Privy Council, said that committals of contempt of court by scandalising the Court itself has become obsolete in England though Lord Atkin pointed out in *Ambard v. Attorney General of Trinidad* that the opinion was falsified by the case of *Reg. v. Gray* decided in the next year. In my judgment the process should be used in this country where attacks are made on the personal character of the Judge or where base or improper motives in the decision of a case are attributed to a Judge.”

Sir, I could not state what I had in my mind in better language. I thought, therefore, that I might place this rather long quotation before the House so that they might realise how strongly even judicial officers feel at the present time that the law of contempt of court ought not to be administered in the manner in which it is being administered now and that things should undergo a change at an early date.

The House then adjourned for Lunch till a Quarter to Three of the Clock.

The Council re-assembled after Lunch at a Quarter to Three to the Clock, the Honourable the Chairman (Sir David Devadoss) in the Chair.

THE HONOURABLE THE CHAIRMAN: The discussion will now proceed on the Honourable Pandit Kunzru's motion.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): Mr. Chairman, the Honourable Dr. Kunzru is to be congratulated on the very able manner in which he, a layman, has dealt with a legal question. He has dealt with it with extreme ability and lucidity. The House is fortunate in possessing a Law Member of the eminence in the legal world of the Honourable Sir Sultan Ahmed, and I am sure that he will appreciate the question which has been raised by Dr. Kunzru. Nothing is dearer to the heart of a lawyer than the dignity of our courts of law. Probably the greatest contribution which Britain has made to this country is the rule of law, the administration of justice, and we are all interested in the purity of the administration of justice. I should be the last person, practising as I do in one of His Majesty's Courts, to say one word of disrespect against our High Courts or against the Judges who administer the law, often in difficult circumstances. But there is also a public aspect of the question. I am interested in journalism and I do a fair amount of writing for the press and I have some experience of daily journalism and know how hard the lot of the average journalist or of a newspaper editor is. A correspondent whom he has appointed after careful consideration writes to him a letter in the usual course of business. That letter is published in the paper. There is something in that letter which reflects upon the administration of justice. The editor finds himself in trouble. Therefore the work of public criticism of justice becomes difficult. I am not referring to any particular case. I am making a mere general statement. Now the difficulty with the law of contempt as it stands is that the judge and prosecutor in such cases are one and the same. I do not say that judges do not endeavour to administer justice in cases of contempt that come before them, but it is a well known principle of jurisprudence that you must not do justice only, you must make appear that justice is being done. Therefore it is largely a matter of good taste, and I think it is not right for judges

[Mr. P. N. Saprū.]

who have been scandalised to sit in court themselves. Justice suffers in the eyes of the public, the reputation of courts suffers in the eyes of the public if there is the slightest suspicion that justice has not been done, even though justice may have been done, and I am sure has been done, in a particular case. Therefore on this particular ground of principle I think one change which is needed in the law is that the judge who has been actually scandalised should not sit in judgment. Dr. Kunzru has dealt with the various classes of contempt. They will be found in the famous Trinidad case which is reported in 28 Bombay Law Reporter. Therefore it is necessary that the judge of the court which has been scandalised should not himself sit as the judge in its own case. I am glad that reference was made by Pandit Kunzru to the wise observations of the eminent Chief Justice of India on the question of contempt of court. We are all human. We cannot help our subconscious processes. And when our own interests are involved we are inclined to lose a proper sense of values and there is at times a tendency particularly on the part of the subordinate judiciary to lose sight of these elemental facts of human nature. Therefore I would suggest for the consideration of the Law Member that the law should be revised in this manner that the judge who has been scandalised should not himself sit in his own cause. His authority, his prestige, are very dear to us. But equally dear is the liberty of the subject and we have got to reconcile these two conflicting principles. They are not in fact conflicting if you come to think of them clearly. But we have got to reconcile these two principles, the principle that the honour, the prestige, the reputation, the authority of the judge must be safeguarded and the subject must be safeguarded.

The second suggestion that I would offer for his respectful consideration is that there should be a right of appeal provided to the Privy Council from the High Courts in regard to contempt cases. The procedure, we know, is summary procedure. In summary procedure, injustice, unwittingly, unconsciously, may be done. I do not attribute the smallest bias, I know that judges endeavour—no human being can do more—to be absolutely impartial. But we want to ease the public mind and therefore I think it is but right that there should be some remedy provided against possible injustice and the practice of the Privy Council in regard to appeals has not been uniform. In some cases they have entertained appeals from courts which have been held up to ridicule or contempt. In other cases they have not entertained appeals. I think the correct position is that they look upon contempt cases as quasi-criminal cases. That is what they say in the Trinidad case and they say that they will follow the principle laid down in Delett's case. They will interfere in appeal or revision only in cases where there has been a departure from the principles of natural justice. You were, Sir, an eminent Judge, you will be able to appreciate this point much better than I. I think the principle that they have laid down is this :—

"It is competent to the Judicial Committee of His Majesty", I am reading from the Trinidad case, "in Council to give leave to appeal and to entertain appeals against orders of the courts overseas imposing penalties for contempt of court. In such cases the discretionary power of the court will no doubt be exercised with great care".

Then they go on to say—

"Everyone recognises the importance of maintaining the authority of the courts by restraining and punishing interferences with the administration of justice, whether they be interferences with particular civil or criminal cases or whether they take the form of attempts to deprecate the authority of the courts themselves. But such interferences when they amount to contempts of courts are quasi-criminal acts and orders punishing

them should generally speaking"—here again they are a little vague—"be treated as orders in criminal cases and leave to appeal against them should only be granted on the well known principles on which leave to appeal in criminal cases is given".

Sir, we know that the principles on which leave to appeal in criminal cases is given were enunciated in what is known as Delett's case. In subsequent cases, in Bhagat Singh's case and several other cases, the Privy Council have expressed themselves clearly that they adhere to the principle enunciated in Delett's case. Therefore the position is that as a matter of right there is no appeal in cases of contempt from the High Court to the Privy Council. Therefore, Sir, the second suggestion that I would make is that there should be a right of appeal provided in cases of contempt to the Privy Council or to the Federal Court if the Federal Court is given appellate jurisdiction. I should prefer the Federal Court because it will be more convenient for lawyers and litigants to go before a court which is situate in India. I do not think it is necessary for me to point out what the various classes of contempt are. They have been enumerated I think with care by Dr. Kunzru and I should not like to repeat the ground covered by him already. In one or two cases which have come up before our High Courts—the other day it came before the Lahore High Court—we have seen that there was a Bench of three Judges. Out of those three Judges two of them had been directly attacked in the pamphlet which was the subject-matter of investigation. So far as the third Judge was concerned, he was only a temporary Judge and he also had figured in that pamphlet. I am not suggesting for a moment that justice was not done. I am quite sure that justice was done and that there was every intention on the part of the Tribunal to do justice. But it is not enough that justice should be done. The public should be made to feel that justice had been done. Confidence in the administration of justice is shaken and not enhanced when the public begin to whisper and think that a particular Bench has been constituted for a particular purpose. I am not insinuating anything in the slightest degree. But I say all this because the reputation of the High Courts, of the administration of justice, is very dear to me. It is dear to every lawyer and I speak as a lawyer.

I think, Sir, that there is a strong case for the revision of the law. I think the law is also too wide. Indeed there has been much criticism of the law of contempt. In England also many newspapers have said that the law of contempt is archaic, that it is an inheritance from older times. I think there was a good deal of criticism about the law of contempt when action was taken against the *New Statesman* which attacked Mr. Justice Avery some years back. But in England a Judge of the High Court can be criticised in Parliament. Here even that is not open to us. You can present in England addresses to both Houses of the Legislature if you are dissatisfied with the conduct of a Judge of the High Court. You can raise discussions about the traditions of the English Bench and the traditions of the English Bench have been very great. There has never been any occasion for such things to occur. Occasionally Judges have been short-tempered and they have been criticised. I remember that Lord Darling was criticised very severely by the Press at one time. I remember that Mr. Justice McCardie, because of his temper, came in for criticism in the Press but all that is taken in the day's work. People in England are not as sensitive as they are here and therefore I think as there is a little tendency on the part of our judiciary to be sensitive there is need for a revision of the law and I do hope that the Honourable Sir Sultan Ahmed will appreciate the motives with which this Resolution has been moved and will be able to accept it.

With these words, Sir, I support this Resolution.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, I support the Resolution so ably moved by my Honourable friend Dr. Kunzru and supported by my friend Mr. Sapru. This House has taken interest in laying down the procedure so far as the punishment under this Act is concerned. It was in the year 1937 that the then Law Member introduced a Bill in the other House and that Bill was passed. Sir, when the Act of 1926 was passed it was made clear that the High Courts and the subordinate courts had power under that Act only to give a maximum punishment of six months but though that Act was on the Statute-book one High Court decided that it had inherent power of giving indefinite punishment and so, Sir, the Bill was brought before the Central Legislature.

Sir, after that many cases of contempt of court have occurred. I do not say that the cases were not decided properly. What I do submit is that the law itself requires revision so that people must think that the cases have been decided properly and justly. The public must have confidence in the judgments that are passed by the Judges of the High Courts. There is a feeling in the country, Sir, that some of the judgments that are passed by the High Courts under this law are not properly passed; they are not just. I do not share that feeling. I submit, Sir, that the Judges are perfectly justified in passing those judgments under the law as it is at this moment but I submit, Sir, that the Government of the country should take precautions to revise the law in such a way that the public will feel that the law is administered not only to vindicate the dignity of the High Courts but is administered in such a way that people must feel that their legitimate rights are ensured.

I fully agree with the remedies suggested by my Honourable friends Dr. Kunzru and Mr. Sapru. Some of the English Judges also, Sir, have stated that the procedure where the prosecutor and the judge play the same role are rather an archaic procedure. My Honourable friend Mr. Sapru said that the judge and the prosecutor should be two different persons. I fully agree with him on that point. I do not agree with him that the appeals from the High Courts should go to the Privy Council. I want that appeals should go only to the Federal Court because that will expedite matters and that will not cost much to the litigants in such cases.

Sir, I hope that the Government will take interest in these matters and will see their way to revise the law as it stands at present.

THE HONOURABLE SIR SULTAN AHMED (Law Member) : Sir, I join in the congratulations offered to the Honourable the mover for the moderation with which he couched the Resolution itself and also for the temperate speech that he has delivered. The Resolution has been couched in language which gives a very wide latitude to the Government. It simply makes a recommendation for the examination of the law of contempt and also to consider whether there can be any improvement and better administration of that law. There would ordinarily be no difficulty in accepting such a recommendation. I could simply get up and say that we will examine it and I suppose that would have satisfied the Honourable the mover of the Resolution but I feel that I would not be fair to the Government or to this House or to the public at large considering the comments that have recently been made in the Press, on the platforms, in this House as well as elsewhere, on this question, if I did not fully deal with all

the points which have been raised by my Honourable friend Dr. Kunzru, and clearly state what the attitude of the Government would be to it.

The Resolution as it stands may be safely divided into two parts : first, that the Council is asked to commend to the Governor General in Council to undertake an examination of the law of contempt as administered in British India and to take such measures as may be found necessary to amend and consolidate the law on the subject. That means that the substantive law of contempt must be brought on the Statute-book. The second part is the administration of that law.

Now the question is whether any improvement can be effected with respect to the law as it is and whether it is possible to amend and consolidate the law on the subject. *Prima facie*, it means this—as was suggested by the Honourable the mover—that we must try and define contempt. The House is aware that the law of contempt is as old as “law” itself. At any rate for the last two centuries it has been understood as a part of every Code that there is an inherent power in a Court to punish for contempt and yet no country in the world has ever attempted successfully to define what contempt is. Indeed in England attempts were made for the first time in 1883 to define what contempt was. That proved abortive. Subsequently investigations were undertaken in 1892, 1894, 1896 and 1898 and every time when the matter came up before the public at large, the lawyers and the Parliament, it was considered very difficult to define it. Finally they gave up the attempt to define it completely. Since then no attempt has been made in England. In India also various attempts have been made. The first attempt was made in 1911 and a Bill was ultimately introduced in 1914, when provision was made to define this expression. There was such a hue and cry all over the country against this attempt that Government ultimately had to drop it altogether. Another attempt was made in 1925-26 and Government came with a Bill giving a definition of “contempt of court” and I would like to tell the House what the attitude of the non-official members of the then Council was. Sir Chimanlal Setalvad, who was a member of the House, observed as follows :—

“Mr. President, while I am of the view that it is necessary to legislate in order to remove all doubt as to the present powers of the High Courts in this matter, I confess that the Bill as drafted is a very badly drafted Bill indeed. All that was necessary to my mind was to have enacted a section or two merely saying that the High Courts shall be deemed to have always had the power of punishing contempts of subordinate courts without attempting to define ‘contempt’ leaving it to the High Courts to decide what was contempt according to the established traditions and practices of the High Courts. In that case you would have avoided all the controversy that has taken place”.

Another eminent lawyer, the leader of a very big Party in the House, Pandit Motilal Nehru, ridiculed the idea of a definition of contempt of court. He said :—

“The attempt to achieve the impossible, namely, to define ‘contempt of court’, which has not yet been defined in any part of the world is, I think, a fruitless attempt”.

Sir Alexander Muddiman, who was in charge of the Bill in the House, had to withdraw this definition with an apology explaining as to why he had attempted to define it. He said that he had inserted the definition only because, if it had not been done, Government would have been attacked on the ground that the Bill was vague, doubtful, ambiguous, and no guide to the courts. The result was that the definition was dropped in the Select Committee and found no reference to it in the Act itself.

[Sir Sultan Ahmed.]

The third attempt was made by Mr. A. C. Dutta, who is Deputy President of the Legislative Assembly at present. This was in 1937. It had two distinct objects: (1) attempt to define contempt of court and (2) to prescribe the procedure. The definition suggested by him was almost on the same lines as the definition attempted by the Government in the previous Bill. There were very slight differences, but not very much. This Bill was circulated and opinions were received from Provincial Governments, High Courts and non-official public men. There was almost unanimity that no such attempt should be made. Under those circumstances, the definition was again dropped. No further attempt has been made and it needed the courage of a stalwart like my Honourable friend Dr. Kunzru to bring this matter again before the House. I submit to the House most respectfully that no ground has been shown why in the year 1942, we should try to make an attempt to define this word "contempt" which has baffled everybody in England, and which has baffled so far everybody in India. At any rate, I may tell him frankly that Government in these circumstances are not prepared to examine this question, and so far as this part of his Resolution is concerned, I am afraid I can give him no encouragement at all.

I would now come to the question whether it is possible to do anything in so far as the administration of this law of contempt is concerned. In the fitness of things, in a certain class of cases, proceedings in contempt are bound to be summary. Under the Criminal Procedure Code, there are various sections under which contempt is the subject of penalty and so on. I am not talking about these. But otherwise the jurisdiction of a Court of Record has been held to be summary from time immemorial and I would like to read a passage from the opinion of Mr. Justice Wilmot in Almon's case, which saw the light of day after his death. The House will remember that it is a very well-known case. The judgment was criticised in many cases, but ultimately is now accepted as the correct exposition of the law. The reasons for the exercise of the summary power for dealing with contempts are fully explained in the judgment in Almon's case:—

"By our constitution, the King is the fountain of every species of justice which is administered in this Kingdom. The King is *de jure* to distribute justice to all his subjects and because he cannot do it himself to all persons he delegates his powers to his Judges who have the custody and the guard of the King's Oath and sit in the seat of the King concerning his justice.

"The arraignment of the justice of the Judges is arraigning the King's justice; it is an impeachment of his wisdom and goodness in the choice of his Judges and excites in the minds of the people a general dissatisfaction with all judicial determinations, and indisposes their minds to obey them; and whenever men's allegiance to the law is so fundamentally shaken, it is the most fatal and most dangerous obstruction of justice and in my opinion calls out for a more rapid and immediate redress than any other obstruction whatsoever, not for the sake of the Judges, as private individuals, but because they are the channels by which the King's justice is conveyed to the people. To be impartial and be universally thought so, are both absolutely necessary for the giving justice that free, open and uninterrupted current, which it has, for many ages, found all over this Kingdom, and which so eminently distinguishes and exalts it above all nations upon the earth".

This view has been cited in a very large number of decisions, both in England and in India, particularly in the case which was referred to by my learned friend, Dr. Kunzru, the *Amrita Bazar Patrika* case.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will the Honourable Member mind raising his voice?

THE HONOURABLE SIR SULTAN AHMED: I am sorry. I thought I was perhaps speaking louder than I should.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss): The acoustic properties of the Chamber are bad.

THE HONOURABLE SIR SULTAN AHMED: I was submitting to the House that the summary jurisdiction of courts to punish for contempt has been recognised from time immemorial and I was referring to the case of *R. v. Almon*. That was reported afterwards in the Law Reports and has been the accepted law of England and the reasons have been given why this summary jurisdiction is absolutely essential. At the same time I fully appreciate that there may be cases—and there are cases—where it may be necessary to provide for a right of appeal. I do not say for a moment that any case has so far arisen which would justify our holding straightaway that a right of appeal has been established. But, considering the principles laid down in the case which was referred to by my Honourable friend Mr. Sapru, the *Trinidad* case, one does sometimes feel inclined to think that such a provision is one which should be carefully examined. I do not know whether there will be statutory difficulties in providing for a right of appeal. I have not considered it as the matter was mentioned to me just now, but I am prepared to give this assurance to the House that I will carefully examine this question, and that is what is requested by the Resolution, and if I find that it is possible to provide the right of appeal in a certain class of cases perhaps it may be possible to do it.

The next question—and it is of vital importance—is that the judge who has been scandalised should not be the judge in his own cause, to use the language of my friends on the other side. I can safely say that the Government are prepared to investigate into this matter and see whether any immediate provision can be made. When I say immediate, I mean the Legislature will have to be approached about it in the ordinary way, which means it will take a little time. In the meantime we propose to consult the different Courts and the different Governments on the subject, and so far as we are concerned we will consider this matter most sympathetically. It should of course be understood that anything which I have said does not apply to that class of contempt which is *in facie curiæ*, that is to say, committed in the presence of the Court. That stands on a different footing and must be dealt with by the judge in whose court that offence is committed. What has influenced me to come to this conclusion is that, while I find in certain sections of the Criminal Procedure Code that a magistrate who has a personal interest in any ordinary trivial case even is disqualified to try it, it does look a little odd that in a case where he himself has been scandalised he should himself as a judge try that case. Well, as I say, I am prepared to go into this question and after consultation with the different Provincial Governments and the High Courts if I find that substantial opinion is in favour of it I shall certainly take the course which is open to me. But in giving this assurance on the two points, I should not be understood that I have been influenced very much by recent proceedings in certain courts of law. What I am influenced by is the general principles which should be applicable to such cases, and also to a certain extent by the views expressed by different classes of people both in the House as well as outside. With this assurance I hope and trust that my friend Dr. Kunzru will not press his Resolution. If there is any delicacy about it, I am prepared to accept his Resolution subject to the observations that I have made.

* THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, it would have been more gratifying if the Honourable the Law Member had consented to examine the law about this matter again. However, in view of the history of the case which has just been mentioned, in view of the fact that these attempts have been made both in England and in India a number of times and all have failed to find a satisfactory definition of contempt, it is quite understandable why the Government is not willing to embark on this question at the present moment. However we are glad that the Honourable Member has expressed his intention to examine the question of the same person combining the offices of judge and prosecutor, which can hardly be reconciled with each other, and to see if that procedure can be modified. We welcome his assurance. As the House is aware even the fact that in some places the functions of an executive and a judicial officer have been combined has caused a hue and cry in the country to have the two functions separated. Therefore it is all the more necessary when the judge happens to be the one whose own conduct has been questioned and who has got an animus against the person whom he tries as judge, it is necessary that he should not have power to decide the guilt or otherwise of the accused. Therefore, Sir, I feel that the House must be grateful to the Honourable the Law Member for having at least consented to examine this part of the question and satisfy himself with regard to it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, I am grateful to the Honourable the Law Member for having expressed his approval of the two main operative suggestions that I made. I made some three or four suggestions, but if the present law can be so changed as to prevent a judge who has been scandalised from being a prosecutor and a judge in his own cause, and if a right of appeal is granted, then perhaps the definition of what constitutes contempt will cease to have the importance that it has at the present time. I am glad to know that my Honourable friend will consider these two points carefully.

THE HONOURABLE SIR SULTAN AHMED : One point sympathetically ; the other carefully.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : He will obtain the opinions of the Judges and I take it of the legal profession. I think he said that if he found that a majority of those who were consulted were in favour of the main reforms which I suggested and which he thought it might be practicable to give effect to, he would try to get the law changed. That it is proper that he should consult the Judges and the legal profession no one here will doubt, but that he should make his own opinion depend on the opinion of the majority of the persons, whose views are asked for, is something that I personally am not prepared to—

THE HONOURABLE SIR SULTAN AHMED : I did not say that. I did not say that I will be bound by them. I will consider the matter in the light of the observations made by them. I cannot commit the Government of India finally to anything yet.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I am thoroughly satisfied then. I hope therefore that the Honourable Member will accept my Resolution. We shall understand that he accepts it subject to what he has said this afternoon.

*Not corrected by the Honourable Member.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss) : Resolution moved :—

"This Council recommends to the Governor General in Council to undertake an immediate examination of the law of Contempt of Court as administered in British India and to take such measures as may be found necessary to amend and consolidate the law on the subject, with a view to its improvement and better administration."

Question put and Motion adopted.

RESOLUTION RE EXPANSION AND SPEED UP OF THE MANUFACTURE OF WAR MATERIALS.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss) : With regard to the next Resolution, I will ask Mr. Kalikar to move it, so that he may not lose priority. But as the Honourable Sir Homi Mody who wants to reply to this is unable to be present here owing to some private reasons, this Resolution will be further considered on the 31st instant. I will now ask Mr. Kalikar to move his Resolution.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : The Resolution that stands in my name runs thus :—

"This Council recommends to the Governor General in Council to take immediate steps to convene a conference of industrial and labour leaders to expand and expedite the manufacture of war materials in India and to secure such machinery as may not be available in India for this purpose from abroad."

Government want my Resolution to be taken up on the 31st. I am agreeable to that, Sir.

RESOLUTION RE INQUIRY INTO PROPRIETARY RIGHTS OF LAND-OWNERS IN CANTONMENTS, ETC.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, the Resolution that I desire to move runs as follows :—

"This Council recommends to the Governor General in Council to institute without delay an inquiry into the proprietary rights of land-owners in cantonments and to take early steps to place cantonment tenures on a statutory and satisfactory basis."

I propose to put the Resolution shortly. The position as it has crystallised itself after the decision of the Privy Council reported in 36 Bombay page 1 and 58 Calcutta page 81 is that there is in law a strong presumption that land situate in a cantonment is Government land and that the occupiers of it are mere licensees with no higher rights than those of a mere licensee. Thus in case of cantonment lands there is a presumption of State ownership and unless the occupier is able to procure a lease or other satisfactory evidence establishing the character of his land, his position is in law no higher than that of a licensee, that is to say, a person who can be ejected at will by Government. The point that I wish to press is that the law as it stands is extremely defective. It has been held that in order that an occupier might establish his right to the cantonment lands, he has got to establish private property in the land and he has got to show that his predecessors were owners of the land

[Mr. P. N. Sapru.]

at the time the cantonment was established and that nothing had happened since then to vest the title in the Government. The onus of proving the ownership of land is thus on the occupier. Private individuals are given no records of rights and in course of time with change of circumstances whatever records they possessed had been lost in some cases. The resources and means of private owners are limited and it should occasion no surprise that they failed to discharge a very heavy burden that the law casts upon them. When the Cantonment Bill was before the Legislature in September, 1936 Mr. Tottenham, then Defence Secretary, made the following statement on behalf of the Government.—

“ Government have decided not to bother any more about their claim to be the owner of land in cantonment bazaars ”.

THE HONOURABLE SIR GURUNATH BEWOOR: Can the Honourable Member say from what he is quoting?

THE HONOURABLE MR. P. N. SAPRU: I am quoting from the Assembly Proceedings of September, 1936

THE HONOURABLE SIR GURUNATH BEWOOR: What is the date?

THE HONOURABLE MR. P. N. SAPRU: I could not give you the exact date, but you will find it in September, 1936. So far as bazaars are concerned—

“ Government have decided not to bother any more about their claim to be the owner of land in cantonment bazaars.....They are going to remove their Military Estates Officers entirely from bazaars and they are going to hand over their rights in land in bazaars to Cantonment Boards to make what they like of them—and when I say Cantonment Boards, I mean naturally the Bazaar Committees of those Boards ”.

Sir, the Cantonment Act was passed in 1924. Then it was amended in 1936 and there are no provisions in regard to the ownership of land in the Cantonments Act. There is an office known as the Military Estates Office. Its function is to manage cantonment lands. Six years have elapsed since the assurance was given in 1936 and the complaint is that no steps have been taken to implement that assurance. There are complaints also that the Military Estates Officers continue to be somewhat high-handed in their treatment of those living in cantonment areas. For months together, so the cantonment area people say, plans submitted for erection and re-erection of buildings are not passed. A deputation, I think, waited on Colonel Patterson from the Karachi landowners in July, 1939, and the report of this deputation will be found in the *Daily Gazette* of Karachi of August 20th, 1939. At the time of sale or transfer of property the Military Estate Officers have started asking for signature on certain acknowledgment letters. Now, Sir, these acknowledgment letters are supposed to say that the owners hold the property under the Regulations of 1936 and that these conditions are binding on them. I understand, Sir, that these letters were demanded from Messrs. Poocha of Poona. They were unwilling to sign these acknowledgment letters as they thought that the presumption of ownership was in favour of the Crown and the letters were therefore quite unnecessary. The matter I think is still hanging fire. Owners who cut down old trees in their compounds are now being required to pay the price of the wood on the theory that the land belongs to the State.

Now, Sir, all this is because of the uncertainty attaching to the manner in which property in cantonment areas is treated and also in the matter of the free development of cantonment areas and cantonment bazaars which are necessary for the supply of essential articles of food and other necessary articles for the army living in cantonment areas. The remedy, therefore, Sir, would seem to lie in the framing of proper rules and regulations or laws directing the manner in which the Land Estate Officers should conduct themselves, defining the limits in precise language within which they may interfere with the rights of private owners and framing a proper body of record of rights available as public documents and framed after due inquiry, in which the parties are represented and capable of being utilised in cases of litigation; that is to say, there should be a proper record of rights. Also, Sir, there is need for laying down rules for equitable compensation for resumption of buildings in case of military necessity. The principles on which the assessment is to be made should be clearly defined. They should conform, generally speaking, to principles embodied in the Land Acquisition Act under which the market value of property is taken into consideration. There is a feeling among house-owners that they are not being fairly treated in this matter.

Another grievance to which I would draw the attention of the Honourable the Defence Secretary is that formerly the Cantonment Boards used to get the entire income but under the recent arrangements they have been deprived of such income. Before 1924 and from 1924 to 1937 Boards used to be given three-fourths of the income and Government used to be given one-fourth of the income. Now the whole income from the land is appropriated by the Government. The result is that the finances of the local bodies in cantonment areas suffer and it is not possible for them to provide amenities for their citizens. Another grievance to which I would invite attention is that too little land has been given to the Cantonment Boards with the consequent result that bazaars have no scope for further development. There would, therefore, seem to be a case for legislation regulating the division of income between the local bodies in a cantonment and the Central Government as well as vesting more areas in Boards for development purposes. I would invite attention of the Defence Secretary to the recommendations of the Cantonment Reforms Committee of 1921 at page 24 :—

“ We are informed that there are no less than seven kinds of land which we classify as under ”

and then they classify these lands under (a), (b), (c), (d), (e), (f) and (g) and they say under (c)—

“ Land inside cantonments which is privately owned ”

and then they say :—

“ Legislation should thus cover all these cases, and we, therefore, recommend to Government that either sections 60 and 61 of the Cantonment Code, or the Home Department Resolution, or both, be amended so as to cover the question of contracts and leases in the case of all these various lands, otherwise the present system is apt to be very conflicting and it may give rise to undesirable controversies between the military, civil and Cantonment Authorities ”.

I find, Sir, that the All-India Cantonments Association's Resolution, which was passed on the 2nd of April, 1939, is on the same lines as the recommendation of the Cantonment Reforms Committee of 1921.

I hope, Sir, that even though the Defence Department is very busy at this moment with defence matters, the Government will devote some time to this matter as it is one which affects nearly one million people, because the population of those who are living in cantonment areas is nearly one million.

[Mr. P. N. Saprū.]

Shortly put, my case is that there should be a proper record of rights, that leases should be granted to the occupiers of these lands and that they should cease to be regarded as mere licensees. Some security of tenure should be assured to them as otherwise the cantonment areas will not prosper. That is the crux of the question and I hope the Honourable the Additional Defence Secretary will be able, even though he is engaged with questions of a very important and urgent character, to devote some attention to this problem which affects nearly one million people living in cantonment areas.

With these words, Sir, I move my Resolution.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. Chairman, I give my full support to the Resolution which has been moved by my Honourable friend Mr. Saprū. He has explained the legal position of the house owners in cantonments at the present time. The old grants of land are covered by Regulations issued as far back as 1836, but at present the lands in cantonments are governed by the rules made by Government under the Cantonments Act. One or two questions arise in this connection of which I have some experience and which I should therefore like to place before the House. I do not want to deal with general principles as they have been very well dealt with by the Honourable mover. But I wish to refer for a moment to what is taking place at Poona, to which a reference was made by my Honourable friend. The situation there has changed to the detriment of the house owners in recent years. Formerly, in the event of the sale or mortgage of any property in the Poona Cantonment, the vendor or mortgagee had to apply to the military authorities for sanction to sell or mortgage the same, and the permission was granted without the imposition of any terms and conditions. For some time, however, I understand the authorities have been adopting the practice of asking from the purchasers and mortgagees an undertaking in writing, subscribing to certain terms and conditions stating *inter alia* that the land belongs to the Government and that in the event of its resumption, arbitration will be resorted to under the separate General Order of 1856 for evaluating the compensation to be paid and that the purchaser or mortgagee should be bound not merely by all existing rules and regulations but also those that may be passed regarding the cantonment tenure in future. There are two or three questions that arise in this connection. In the first place, as I have already said, I understand that the old practice has been changed. I should like to know why a change in the previous practice has been found necessary? Whatever the rules and regulations may be at the present time it seems to be a fact that they were not quite strictly enforced in the past and that the transfer of bungalows in the Poona Cantonment at least to the heirs of the owner was not questioned. At the present time it appears that even if a man transfers a bungalow to his son or nephew, he would have to get the previous permission of the military authorities. Then there is the question of arbitration. Formerly, the civil courts were asked to determine the amount of the compensation payable, but the military authorities have now taken this matter into their own hands. There is the Land Acquisition Act which was used formerly, but for some reason they fight shy of it now, and they want therefore to award compensation only in accordance with their own evaluation. It is obvious that the procedure that has been adopted at the present time will give rise to grievances. If the military authorities should resume a particular land or take over a house, and if they are themselves

to decide what compensation they should give for it, the house owner has no security that he will be dealt with fairly. I should, therefore, like to ask my Honourable friend, the Additional Defence Secretary, why the Land Acquisition Act is not made use of when Government want to acquire a house, and why they are adopting a new procedure now in respect of the award of compensation.

The other question that I shall refer to is that the purchasers and mortgagees are asked to give an undertaking in writing that they would accept not merely the conditions already imposed but also any regulations that may be passed regarding cantonment tenure in the future. I do not know, Sir, what the justification there is for this attitude. I asked some questions on this subject in April last. The answers to them were placed on the table of the House on the 17th November, 1941. I have been told in these replies that—

"purchasers are asked to give an Admission Certificate which merely summarises the conditions on which the site is held. The certificate which in its present form summarises the provisions of various rules, regulations and orders in force from time to time is under the existing orders of Government only to be taken when the transferee agrees."

It appears from this reply that Government do not wish at present to force the house owners to give the admission certificates that the Military Estates Officers are demanding. But there is no guarantee that the attitude of the Government on this point will not change. However, I have been told that the admission certificate is to be taken under the existing orders of Government only when the transferee agrees to give it. Now this is an important matter. Why should a man when he sells his property be compelled to tell the purchaser that if he purchases it he will be subject to certain disabilities from which he himself was free? Government can well demand that the purchaser should not purchase any property under conditions more favourable than those which apply to the existing owner, but that they should place greater restrictions on the purchasers does not seem to me to be justified by considerations of equity.

Again, Sir, although the reply given by Government so far as the existing state of things goes is quite clear, I understand that the Military Estates Officers in Poona have not changed their attitude and are still insisting that if a house is transferred the purchaser must sign an admission certificate of the kind referred to by me. How do Government justify this?

There is just one more point, Sir, which I should bring to the notice of the House in this connection. It has been already referred to by my Honourable friend Mr. Saprū, but I wish to bring out an aspect of it which may not be known to many members. When the Cantonment Bill was under consideration in 1936 the Defence Secretary, dealing with the dissatisfaction that prevailed among the owners of property in cantonments, said—

"All I can say is that I have done my very best to reach such a solution (that is, a solution which would be acceptable to all), and I think that we are in a fair way to success. We have done two things. In the first place, Government have decided not to bother any more about their claims to be the owner of land in cantonment bazaars. By that I do not mean that Government hereby formally relinquish their claim to be the owners of such land any more than they relinquish their claim to be the owners of land in cantonments generally. What I mean is that Government do not intend to enforce their claims in bazaars. They are going to remove their Military Estates Officers entirely from bazaars, and they are going to hand over their rights in land in bazaars to Cantonment Boards to make what they like of them; and when I say Cantonment Boards I mean naturally the Bazaar Committees of those Boards if, as I hope, these Committees function successfully."

Now the assurances that were given by the Defence Secretary have I understand not been carried out. The Bazaar Committees have been set up, but their business only is to make recommendations in cases of transfers to the

[Pandit Hirday Nath Kunzru.]

Cantonment Boards. The Defence Secretary said that full power would be given to the Bazaar Committees in this respect, but that has not been done. Government have violated the assurance that they gave through the Defence Secretary in 1936. Again, Sir, the Military Estates Officers also I understand have not been removed from the bazaars as was promised by the Defence Secretary. I have been told that they are still reporting cases to Cantonment Boards and asking them to take action against house owners in bazaars. Why have not the undertakings given by Government been carried out? There was a great deal of discussion between a committee of house owners and the Defence Secretary before he made the announcement that I have read out. One would have thought that the assurances that he then gave would be fully carried out, but I am surprised to learn that in both those respects—

THE HONOURABLE SIR GURUNATH BEWOOR: Could the Honourable Member say exactly in what respect the Military Estates Officers have been interfering in the bazaar area administration?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I understand that they are still concerning themselves with questions of transfer or encroachment on land and so on. This is what the Military Estates Officers are doing. But whatever they may be doing in bazaars I should like to know why they are there at all, and that is the point to be replied to by my Honourable friend. Now it may be said that the position of the Government may be prejudiced if the Military Estates Officers are completely withdrawn. The Defence Secretary ought to have thought of this when he made the announcement that I have referred to; but apart from this I do not see why Cantonment Boards should require the services of Military Estates Officers. If you place land under the control of the Cantonment Boards why do you not allow them to have their own officers? Why is it necessary for you to compel them to use the services of Military Estates Officers who are military officers. There was a time when the Cantonment Officers were military officers; now they are all civilians. But the military officers are now being used as Military Estates Officers. Three of them are Indians and civilians, but the rest of them to the best of my belief are British military officers. I should like to know why it is necessary to have these officers at all, and why Government cannot appoint civil officers in order to help the Cantonment Boards in the discharge of their duties? If this is done, perhaps some of the friction that exists at the present time will subside. This is a very important matter and I hope that the Defence Secretary will be able to give some satisfactory explanation on the point.

Sir, there is just one other thing concerning the Regulations of 1836 which I shall deal with before sitting down. Now according to these Regulations the conditions governing the resumptions of land mortgages and transfers are four in number. It is said in the third condition that—

"if a plot of ground has been built upon the buildings are not to be disposed of to any person, of whatever description, who does not belong to the army, until the consent of the Officer Commanding the station shall have been previously obtained under his hand".

One may agree or not agree with this, but one can see that this Regulation is of a perfectly general kind and applies to all persons. I now pass on to condition 4 which relates to transfers of property to Indians. This Regulation says—

"When it is proposed, with the consent of the General Officer, to transfer possession to a native, should the value of the house, buildings or property to be so transferred exceed

Rs. 5,000, the sale must not be effected, until the sanction of Government shall have been obtained through His Excellency the Commander-in-Chief".

Why is this Regulation necessary? Why should the permission of His Excellency be required only in the case of transfer of property to an Indian? The reply will be that the procedure is not as dilatory as on reading of the Regulation one may think it to be and that the Military Estates Officers are allowed in practice to act as if they had the authority of His Excellency the Commander-in-Chief to give the necessary sanction. But as I have already said, Sir, the position is being altered; the old practice is being changed. Discontent is being created among the house owners. It is necessary, therefore, Sir, that the points that have been placed before Government should be carefully considered by them. Whatever power they may have under the law and regulations, they should be exercised with fairness and moderation. I hope, therefore, that the Government will be able to accept the Resolution moved by my Honourable friend Mr. Sapru. It will give them an opportunity of going fully into the matter and arriving at a settlement, which will give satisfaction to all the parties concerned.

THE HONOURABLE SIR GURUNATH BEWOOR (Nominated Official): Sir, the Resolution asks Government to institute without delay an inquiry into the proprietary rights of land-owners in cantonments. That is the first part of the Resolution. The second part asks Government to take early steps to place cantonment tenures on a statutory and satisfactory basis. I shall deal with each of these two parts of the Resolution. As regards the first part, Sir, the position of Government is this. It has already been established by a number of court decisions, including some by the Privy Council, that the mere possession or occupation of land in cantonments confers no right of ownership, and in the absence of specific proof to the contrary all land in cantonments must be presumed to belong to the Crown and that the house owners possess no more than occupancy right on their sites. This attitude of Government has been maintained for a number of years and it was maintained when the discussions between the Cantonments Association and the Secretary of the Department took place in 1936. Sir, the position with regard to occupation of land in cantonments may be divided into two periods. One I call the pre-1899 period and the other the post-1899 period. Since 1899 when the Cantonments Code was instituted, the grant of land in cantonments has been governed by definite rules and regulations and leases. Prior to 1899 land had been granted under rules or regulations which existed from time to time. I understand that documents are available with certain owners giving the exact terms of these old grants and in the case of others no such documents are available. The position which Government take is this, that where a man has been occupying land before 1899 the presumption is, unless he produces any definite document to the contrary, that he is holding the land according to the rules and regulations which prevailed at the time the first occupation of the land began. As regards the post-1899 period, I have already mentioned that there are definite terms and conditions on which these lands are held. Therefore there should be no doubt as to the rights of Government and the rights of the occupier. At present we have a set of rules which are known as the Cantonment Land Administration Rules, 1937. These have been issued under the rule-making power conferred upon Government by section 280 of the Cantonments Act. Section 281 states that all rules so made shall be published in the official Gazette and shall have effect as if enacted in this Act. Therefore, Sir, these rules have statutory authority. Under these rules it is necessary to maintain in every cantonment a general land register and in this register are entered all lands which are in the occupation either of Government itself or of the Board or of private persons. We have therefore a record

[Sir Gurunath Bewoor.]

of the exact rights which are possessed by the different occupiers of land. Now, Sir, what the Honourable Pandit Kunzru apparently desires, from the manner in which he criticised the old conditions, is that he would like to see the old conditions under which the land was granted to various occupants revised and a present made to the present occupiers of rights much higher than what they possess. Whatever may be the rights or wrongs of the conditions which were prescribed in the old days the fact remains that the land belongs to Government and that the occupier was given the right to occupy the land and to build upon it subject to certain conditions, and those conditions must necessarily be enforced, otherwise we would be unfair to the taxpayer of the country. Why should we make a gift to the occupiers of the land? In this connection I may perhaps draw attention to what the Defence Secretary stated in 1936 :—

“As a class, house owners in cantonments have done exceedingly well out of Government during the last one hundred years or so, and it is an undoubted fact that during that period very very large sums of money have passed into their hands from the pockets of the general taxpayer in this country”.

Now, Sir, the other criticism that was made was about the bazaar area. In this connection the Defence Secretary again in his speech of the 4th September, 1936 clearly stated :—

“Government have decided not to bother any more about their claim to be the owner of land in cantonment bazaars. By that I do not mean that Government hereby formally relinquish their claim to be the owners of such land, any more than that they relinquish their claim to be the owners of land in cantonments generally. What I mean is that Government do not intend to enforce that claim in bazaars. They are going to remove their Military Estates Officers entirely from bazaars”.

I understand, Sir, that actually Military Estates Officers have nothing to do with the administration of the bazaar area and that they are under the management of Cantonment Boards. I do not know whether Cantonment Boards have in any case utilised the services of the Military Estates Officers in connection with any suits that they may have to file because it must be remembered when a suit has to be filed that Government is the owner of the land and the Cantonment Boards are managers of the land. In that connection perhaps the Military Estates Officers come into the picture but I understand that so far as management is concerned the bazaar areas are left to the Cantonment Boards.

Then coming to those who hold lands under what is called “old grants” the Honourable Pandit Kunzru criticised the demand made by certain authorities for obtaining an acknowledgment when a transfer is made. Now, Sir, all that is apparently aimed at—I cannot vouch for it because I have not had time to examine this particular complaint made and moreover I was not aware that it would be raised—is that every transfer which is made must be subject to the conditions of the old grant, that is to say the new transferee cannot expect to have higher rights than the old transferor; and it is apparently in that connection that such acknowledgments have been asked but here again I regret I have not got any definite information. I asked my friend the Honourable Mr. Sapru to let me know some of the points he was likely to raise but he was unable to give me any indication, otherwise I would have studied this particular point, and even now if he will give me any points which he wants to be examined I shall be very glad to go into them.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : If my Honourable friend wants an instance I will mention one. I have already said that I

understand that in Poona the Military Estates Officer is asking intending purchasers to sign an admission certificate which he demands from them acceptance not merely of present conditions but of any conditions that may be laid down in future.

THE HONOURABLE SIR GUBUNATH BEWOOR : I am grateful to the Honourable Member but I should like to have the actual instances instead of a general allegation, or, if he could tell these people to appeal to the Government of India complaining against the Military Estates Officer's demand which he considers is illegal, I shall certainly look into the matter.

So far as the owners of houses on land outside bazaars granted prior to 1899 are concerned the matter was decided in the same speech to which the Honourable Mr. Sapru referred. Mr. Tottenham stated :—

“The result of the discussion with the All-India Cantonments Association is that if the house-owners on their side are now prepared formally to forego their claim to be the owners of the soil, . . . if they are willing to do that, we on our side are prepared to deal with them in the most generous way consistent with the necessity for safeguarding our own contingent interest in the land and the necessity for preserving the amenities of the cantonment and preventing over-building and over-crowding”.

As a result of this announcement there were further discussions and a form of lease was drawn up and the present rules issued in 1937 provide for the grant of leases to the occupiers of lands, and that I think, Sir, satisfactorily solves the problem which has been raised by the Honourable the mover of this Resolution.

I am afraid, Sir, that I cannot accept this Resolution because it starts off by saying that we should institute an inquiry into the proprietary rights of land-owners. Sir, the proprietary right lies in Government. It is for the land-owner to prove his right if any. If any land-owner is able to prove his right it will be acknowledged but there cannot be any inquiry into the proprietary rights of land-owners in cantonments as a whole.

As regards the placing of cantonment tenures on a statutory and satisfactory basis, I have already stated that these tenures are governed by the rules which I have mentioned, the rules issued in 1937, which being issued under the Act, have a statutory force.

We have always been prepared to deal with generosity with the occupiers of lands in cantonments, but I must make it clear, Sir, that cantonments are intended for the residence of the military; they are not intended as desirable suburbs of the town. It is always our aim to prevent cantonments developing into congested areas and not to bring in any large civil population, and it is from that point of view that the various safeguards have been provided in connection with transfers, in connection with building or in connection with prescribing the conditions of tenures. This is not the time, when we are all busy with the war, when our troops have expanded very greatly, when we do not know what is going to be the strength of the army at the end of the war, to undertake this detailed inquiry which the Honourable the mover of this Resolution has asked Government to do.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Will the Honourable Member tell us why the Bazaar Committees have not been given the power that was promised by the Defence Secretary? Why is it necessary for them still to make recommendations to the Cantonment Boards in case of transfer and mortgage of houses?

THE HONOURABLE SIR GURUNATH BEWOOR : I understand that the bazaars are under the management of the Cantonment Board within which they are situated. I do not know which particular speech my Honourable friend is referring to.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Surely it is the one that he quoted himself—the Defence Secretary's :—

"They are going to remove their Military Estates Officers entirely from bazaars and they are going to hand over their rights in land in bazaars to Cantonment Boards to make what they like of them—and when I say Cantonment Boards, I mean naturally the Bazaar Committees of those Boards if, as I hope, these Committees function successfully".

THE HONOURABLE SIR GURUNATH BEWOOR : Sir, that is a matter between the Board and the Bazaar Committee.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Have you made it clear to the Bazaar Committee that they are entitled to take over this power ?

THE HONOURABLE SIR GURUNATH BEWOOR : I presume that—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : It is not a question of presumption. When a definite complaint is brought to the notice of Government they ought to inquire into it.

THE HONOURABLE MR. P. N. SAPRU : Sir, I am frankly dissatisfied with the unsatisfactory character of the reply that the Honourable Sir Gurunath Bewoor has given to this Resolution. He says that the wording of my Resolution is defective because I have asked Government to institute without delay an inquiry into the proprietary rights of land-owners in cantonment areas. He points out that proprietary rights in cantonment areas belong to Government and that a series of decisions of the Privy Council has settled that proposition. As I read those decisions of the Privy Council, what they have done is to say that there is a presumption in favour of ownership of land in Government in the cantonment areas. They do not say that in all cases the ownership resides in Government. They merely say that there is a presumption of ownership of land in Government in cantonment areas. Therefore, the Honourable Sir Gurunath Bewoor is not right in claiming that they have held Government to be the owner of all land in cantonment areas. Really the question is one of burden of proof. All that they have done is to cast the burden on to the person who claims to have an absolute title in the land. Under the law as it stands I do not see how and why it is not possible for Government to institute an inquiry into the rights of all these people. A record of rights can be prepared, because whatever the position may have been before 1899, and whatever may be the position after 1899, all that can be recorded after a proper inquiry—

THE HONOURABLE SIR GURUNATH BEWOOR : Further on I said, Sir, that there is such a register which records the rights of all persons who occupy land, and when this thing has been done, I do not see why Government should hold such an inquiry at all. The Government has no doubt on the point at all.

THE HONOURABLE MR. P. N. SAPRU : My Honourable friend says that the practice was changed after 1899 and that there is a register now. How was that register prepared ?

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss) : Could we go into that now ?

THE HONOURABLE SIR GURUNATH BEWOOR : The register is maintained under the Cantonment Land Administration Rules by the Military Estates Officers.

THE HONOURABLE MR. P. N. SAPRU : I should like to know whether, before an entry is made in the register, the person concerned is given adequate opportunity of proving his case. All these are merely *ex parte* entries made without the knowledge of the person concerned and without any reference to the person concerned, and not open to inspection by the person concerned.

THE HONOURABLE SIR GURUNATH BEWOOR : The registers are open to inspection, and the person concerned can get an extract from them to see what is recorded there, and if he has got any other proof, he can produce it to change the entry.

THE HONOURABLE MR. P. N. SAPRU : The Honourable Sir Gurunath Bewoor would also say that the register has the position of a record of rights ?

THE HONOURABLE SIR GURUNATH BEWOOR : That is a matter for law, Sir ; it is a register prepared under rules made under a certain section of the Act.

THE HONOURABLE MR. P. N. SAPRU : Sir, my information is—and the Cantonment Association is my authority for it—that the register has not been prepared after any inquiry from the occupiers or owners of land and they do not even know of its existence because the Land Estate Officers or the people concerned with the management of these areas look upon this register as a sealed book to be reserved only for their own use and not to be shown to the occupiers of land.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss) : You can get a copy of it.

THE HONOURABLE MR. P. N. SAPRU : I make this statement because I was instructed to make this statement, if I may say so, by those who saw me in connection with this matter, and I should be glad if the Honourable Sir Gurunath Bewoor will contradict the statement and say that the Land Estate Officers keep the register open for inspection and that the registers are prepared after due inquiry.

THE HONOURABLE SIR GURUNATH BEWOOR : I understand that the register is open for inspection ; the man can get a copy, so far as he is concerned, of his entry, and if he is not satisfied, he can apply to have the thing revised by producing the necessary evidence to the Military Estates Officer and the mistakes, if any, will be corrected.

THE HONOURABLE MR. P. N. SAPRU: If any case is brought to the Honourable Member's notice where the Land Estates Officer has taken a different line in regard to the register, I hope he will deal with the Land Estates Officer in a proper manner.

THE HONOURABLE SIR GURUNATH BEWOOR: The occupier has a right of appeal to a higher authority against the decision of the Military Estates Officer.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss) (addressing the Honourable Mr. Sapru): I do not think you can go further into this question.

THE HONOURABLE MR. P. N. SAPRU: Passing on to another point I pointed out that on 1st September, 1936, Sir Richard Tottenham gave certain assurances in regard to the ownership of land in cantonment bazaars. He said:—

"In the first place, Government have decided not to bother any more about their claim to be the owner of land in cantonment bazaars. By that I do not mean that Government hereby formally relinquish their claim to be the owners of such land, any more than that they relinquish their claim to be the owners of land in cantonments generally. What I mean is that Government do not intend to enforce that claim in bazaars."

Now, Sir, the complaint is that the Military Estates Officers have been interfering with the management of these bazaars. The Honourable Sir Gurunath Bewoor would say there is a formal right of Government, that ordinarily the Bazaar Committees are left to deal with the matter but that the Military Estates Officers can occasionally, in certain cases, interfere. But I would like him to consider the point in this way. They are going to remove their word "entirely"—and they are going to hand over their rights in land in bazaars to Cantonment Boards to make what they like of them. And when I say "Cantonment Boards" I mean naturally the Bazaar Committees of those Honourable Sir Gurunath Bewoor can say that these Committees do not function successfully, the interpretation which the ordinary man reading Sir Richard Tottenham's statement will put is this. We are not going to interfere in any way whatever with these Bazaar Committees. We will transfer all the authority there will be no interference whatsoever by us. There is a definite pledge by Sir Richard Tottenham to this effect and the precise complaint is that the Military Estates Officers have been interfering with these Bazaar Committees, and Cantonment Boards and Bazaar Committees cannot make what they like of the Cantonment Bazaar or area. The Honourable Sir Gurunath Bewoor says that cantonment areas are really military areas and people who live in those areas live subject to military regulations and so on. Quite right. He would say that the people who live there have benefited from the prosperity in those areas, and that sort of thing. But, assuming that cantonments are for military purposes, even then the development of cantonments requires that there should be some security of tenure for those who live in the cantonment areas. Now as far as I have been able to understand, the position today is that the occupier of land in cantonment areas has not only no proprietary right—if he makes any such claim he has to prove it—but he has no higher status than that of a licensee who can be evicted at will by his landlord. The question I would ask is, has any rule been framed as regards the nature, character and duration of

the tenure under which these occupiers of land in cantonment areas shall live? If there are any such rules will he point out to me what those rules are. I am not at the moment raising any question of proprietary rights. What I want to know is whether there is any security of tenure in any shape or form which will enable a person living in cantonment areas on ejection to be compensated according to rules under the Land Acquisition Act? Are there any such regulations in force or not? I confess, Sir, that the Honourable Sir Gurunath Bewoor has not been able to throw any light on this aspect of the matter at all.

Then I referred to one or two instances in which Estates Officers had been interfering with the occupiers of land in cantonment areas. I pointed out that in Poona attempts are being made by the Estates Officer to get admission or acknowledgment letters, not only in regard to the past or present rights of the occupants of land, but also in regard to the future rights of occupiers of land in the cantonment area, and I referred to a specific case, that of Messrs. Poocha of Poona Cantonment. I pointed out that an effort had been made by the Military Estates Officer to get an acknowledgment or admission letter of this type from Messrs. Poocha & Co. and that they had refused to sign any such admission letter. Therefore I should like to have a categorical answer to this question, whether the Military Estates Officers have been authorised to get these admission letters without even waiting for the preparation of a statutory record of rights from the occupiers of land? Then I pointed out that if occupiers of land cut down trees in their compound they are now being required by the Estates Officers to pay the price of the wood, on the theory that the land belongs to the State. Now I do not wish to discuss the theory of land proprietorship but I should like to know whether the uncertainty attached to the manner in which property in cantonment areas is treated hampers or does not hamper the free development of cantonment areas? It has been found by experience everywhere that if you want the free development of any area, if you want an area to become prosperous and really develop to its fullest extent, it is necessary for you to give some security of tenure. And experience has also shown that too much executive interference of this character hampers the growth of a bazaar or a cantonment or any other area. Therefore I should have thought that the Honourable Sir Gurunath Bewoor would indicate his readiness to convey in more precise language the manner in which the Estates Officers interfere with transfers and other things. I had hoped he would define the limits in more precise language than he has done. He probably wants to leave these Estates Officers a free hand to do anything they like with those who live in cantonment areas. This I think is hardly fair. As he has taken up this attitude I regret that it will not be possible for me to withdraw from the position I have taken up.

THE HONOURABLE SIR GURUNATH BEWOOR: With your permission, Sir, I would just like to clear one or two points. The Honourable Pandit Kunzru spoke of Bazaar Committees and the interference with them. I should therefore like to make it clear, that the Bazaar Committees are not independent bodies. They are constituted by the Cantonment Board under section 43A of the Act and it is open to the Cantonment Board to give what powers it likes to the Bazaar Committee or to withdraw any power, because it is clearly stated in Mr. Tottenham's speech—

"And when I say Cantonment Boards, I mean naturally the Bazaar Committees of those Boards if, as I hope, these Committees function successfully."

If in certain areas, Cantonment Boards have withdrawn the powers from the Bazaar Committees, the inference is that they have not functioned successfully.

[25TH MARCH, 1942]

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Were the powers ever conferred on them?

THE HONOURABLE SIR GURUNATH BEWOOR: That is a matter to be inquired from every Cantonment Board. I cannot give a general reply to that question. The Honourable Mr. Sapru wanted to know what exactly were the rights of occupiers. I have mentioned that in the case of those who occupied land since 1899 the rights are clear in the leases that have been given to them. Their terms are clearly laid down.

THE HONOURABLE MR. P. N. SAPRU: Are they licensees or are they lease-holders?

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss): That is a question of law. I do not think you need answer that.

THE HONOURABLE SIR GURUNATH BEWOOR: I was just going to remark, Sir, that in this House we cannot decide the legal rights of occupiers of lands in cantonments, occupiers who have been in possession from different periods, since 1835 or 1836. The Regulations have changed from time to time and the lands have been given for occupation on the terms and conditions which existed at that time. The question of trees is again a matter for legal opinion, for the decision of courts. We have taken legal opinion and we are acting on that. If any occupier is dissatisfied, it is open to him to go to the courts and obtain a decision. But Government being the owner of these lands and the rights of the occupiers being governed by the terms under which they are occupying these lands, I am afraid Government cannot undertake a regular settlement operation at this time.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss): Resolution moved:—

"This Council recommends to the Governor General in Council to institute without delay an inquiry into the proprietary rights of land-owners in cantonments and to take early steps to place cantonment tenures on a statutory and satisfactory basis."

Question put and Motion negatived.

THE HONOURABLE THE CHAIRMAN (Sir David Devadoss): Before I adjourn the House, let me draw the attention of Honourable Members to the fact that there is to be a photograph taken tomorrow morning at 10.45 A.M. and the Honourable the President requests Members to be here by 10.30 A.M.

The Council then adjourned till Eleven of the Clock on Thursday, the 26th March, 1942.

COUNCIL OF STATE.

Thursday, 26th March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN:

His Excellency General Sir Archibald Wavell (Commander-in-Chief).

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules I lay on the table copies of the following Bills which were passed by the Legislative Assembly at its meeting held on the 25th March, 1942, namely:—

A Bill to provide for the grant of weekly holidays to persons employed in shops, restaurants and theatres.

A Bill to facilitate the collection of statistics of certain kinds relating to industries.

THE HONOURABLE THE PRESIDENT: Honourable Members, we will now proceed with the work of the secret session. The Secretary will please see that the Public Galleries as well as the Press Galleries are cleared except for the members of the Legislative Assembly and I have also directed the suspension of the Standing Order 72 which provides for the preparation and publication of the proceedings of this Council. As many Honourable Members have expressed their desire to participate in the debate this morning, I have to mention that I have definitely fixed 15 minutes for each member who desires to address the House and I trust the Honourable Members will rigidly observe my suggestion.

The sitting was in secret session and the Council discussed the following Motion moved by His Excellency the Commander-in-Chief:—

"That the war situation be taken into consideration."

The Council then adjourned till Eleven of the Clock on Tuesday, the 31st March, 1942.

COUNCIL OF STATE.

Tuesday, 31st March, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

RATIONING OF SUPPLIES.

159. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : (a) Is there any scheme that as a result of closing of certain Far Eastern sources of supply, the Government will impose rationing of the supplies of certain goods for consumption by the civil population of this country, and conserve them for Defence services ?

(b) Is there no scheme before Government for increased production both with regard to agricultural commodities and indigenous industrial products ? Will Government make a statement with regard to their future plans in this connection ?

THE HONOURABLE SIR ALAN LLOYD : (a) There is at present no proposal before the Government of India to impose rationing in respect of any commodity except motor spirit which has been rationed since August, 1941.

(b) The need for increased production exists in respect of some agricultural commodities, *e.g.*, foodgrains and fodder, while in the case of others which have lost their export markets, *e.g.*, short staple cotton, jute and groundnuts, a curtailment of production has become necessary. The Government of India have under active consideration measures to stimulate the production of foodgrains and fodder and a Conference of Provincial and States' Ministers of Agriculture has been convened for the 6th April, 1942 to discuss these measures. In these cases in which a curtailment of production has become necessary the Government of India and the Provincial Governments are taking various measures to achieve that end. In the case of short staple cotton, in particular, the Government of India have constituted a fund, one of the objects of which is to finance measures designed to bring about a diversion of the acreage under short staple cotton to other crops such as long staple cotton or foodgrains. The question of further encouraging the production of indigenous industrial products is also constantly before the Government.

THE HONOURABLE MR. HOSSAIN IMAM : Is this Conference to be held under the ægis of the Commerce Department or Agricultural Department of the Government of India ?

Questions against the Hon. Raja Yuveraj Dutta Singh were put by the Hon. Mr. V. V. Kalikar.

THE HONOURABLE SIR ALAN LLOYD : It is to be held by the Education, Health and Lands Department, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What are the foodgrains that Government have in view ?

THE HONOURABLE SIR ALAN LLOYD : Well, the grains which are ordinarily used as food, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Does the Honourable Member mean to say that any shortage has been experienced of *jowar*, *bajra* and barley ?

THE HONOURABLE SIR ALAN LLOYD : Sir, a shortage has, as the House is well aware, recently been experienced in the matter of wheat and we are certainly faced with a shortage in the matter of rice. Foodgrains are not exclusive. It is a well known fact that in this country when there is a shortage of wheat or rice the deficiency is made up from *bajra*, *jowar*, barley, and so forth. What we aim at doing is to increase the total supply of foodgrains, so that if we are unable to make up the shortage of rice, for example, there will at least be *bajra*, *jowar*, and so forth, available.

THE HONOURABLE MR. HOSSAIN IMAM : In view of the fact that in many of the Provinces section 93 is in operation has the Government considered the desirability of associating non-official opinion with this Conference ?

THE HONOURABLE SIR ALAN LLOYD : I would suggest that that question should be put to the representative of the Education, Health and Lands Department.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Are Government aware of the complaints due to the people having to use *bajra*, *jowar* and barley in place of wheat ?

THE HONOURABLE SIR ALAN LLOYD : Sir, it is quite obvious that people who are accustomed to one kind of food do not take kindly to substitute foods but circumstances may be too strong for them.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Do Government mean to extend the cultivation of wheat or not ?

THE HONOURABLE SIR ALAN LLOYD : So far as is possible the cultivation of wheat will be expanded but even to my amateur knowledge of agriculture there are lands which are capable of producing the millets such as *bajra* and *jowar* which are not capable of producing wheat.

THE HONOURABLE MR. HOSSAIN IMAM : Will the Education, Health and Lands Department enlighten us, Sir, on this proposal to associate non-official opinion ?

THE HONOURABLE SIR ALAN LLOYD : That is a question which should be put to my Honourable colleague who represents the Education, Health and Lands Department and I do not think he has had notice of it.

NUMBER OF QUARTERS BUILT FOR MEMBERS OF THE CENTRAL LEGISLATURE.

160. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : (a) Will Government state how many quarters were built for the residence of Honourable members of the Council of State and of the Legislative Assembly in New Delhi. And how many of them have been assigned for the residence of members of the two Houses ?

(b) Out of those quarters which have been assigned for the accommodation of the members of the Council of State, how many quarters, if any, have been given to non-members this Budget session, and why ?

(c) Is it a fact that these quarters were built primarily for the residence of members of the Central Legislature who have to come here for attending meetings of the Legislature ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : (a) 95 regular quarters and 69 suites in the Western Court were originally built for members of the Central Legislature. As the demand for suites in the Western Court by the members was much less than the number provided 44 suites have been set aside for Government officers, leaving 25 suites for members. The regular quarters are all assigned for residence of the members during the session period.

(b) Only one quarter of the chummery type was given to a non-member because it was not applied for by any Honourable Member.

(c) Yes.

ACQUISITION OF LAND AND BUILDINGS IN DEHRA DUN, ETC.

161. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Is it a fact that Government have acquired, and are acquiring, lands and buildings in Dehra Dun, Hardwar, and in certain hilly districts of the Punjab, for the removal of their General Headquarters, and other offices, in case of emergency ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : No, Sir.

RELAXATION OF THE OPERATION OF THE INDIAN ARMS ACT.

162. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : In view of the imminent threat to India of external attack and possible internal disorder, do Government propose to relax the operation of the Indian Arms Act so as to allow respectable local Indians to bear arms, such as rifles and pistols, in defence of their own lives and properties and also those of their neighbours ?

THE HONOURABLE MR. E. CONRAN-SMITH : No, since Government do not consider that the policy indicated by the Honourable Member would be the best method of securing the objects which he has in view.

THE HONOURABLE MR. HOSSAIN IMAM : Is it a fact, Sir, that rifle ammunition has been purchased by the Government from the ammunition dealers and that they have not even been paid for it ?

THE HONOURABLE MR. E. CONRAN-SMITH : I do not think that arises, Sir.

THE HONOURABLE MR. HOSSAIN IMAM : It arises from the fact that people who have got licences cannot get rifle ammunition because there is nothing available in the ammunition shops.

(No answer.)

MISCONDUCT OF TROOPS IN BOMBAY.

163. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Are Government aware that there is a great deal of uneasiness in Bombay with regard to the misconduct of soldiers stationed there and that a special meeting of the Bombay Municipal Corporation discussed on or about the 5th March, 1942 a resolution requesting the Mayor to invite the attention of Government, and request them to take at an early date steps to allay the fears of the public in regard to certain reports current in the City of Bombay about the misbehaviour of members of the combatant forces moving in the city? What are the facts of the case, and what steps have Government taken, or propose to take, in this connection?

THE HONOURABLE GENERAL SIR ALAN HARTLEY : The reply to the first and second parts is in the affirmative. As regards the last part, I would invite the attention of the Honourable Member to the reply I gave to question No. 110 by the Honourable Mr. G. S. Motilal on the 6th March, 1942.

STEPS TAKEN TO INCREASE THE PRODUCTION OF FOODGRAINS AND OF FODDER.

164. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state what steps they have taken, or propose to take, to launch a vigorous drive to persuade the cultivators to grow more foodgrains and fodder crops, and to secure regional self-sufficiency in respect of foodstuffs as between different areas as a safeguard against any possible interruption in the transport system due to war situation?

THE HONOURABLE MR. J. D. TYSON : The attention of the Honourable Member is invited to the press note issued on the 14th March, 1942, announcing that a conference of representatives of provinces and of certain Indian States is being convened at New Delhi on the 6th April, 1942, to consider the question.

THE HONOURABLE MR. HOSSAIN IMAM : I will put that question now, Sir. In view of the fact that section 93 regime applies to seven Provinces, have Government considered the advisability of associating non-official opinion in this conference?

THE HONOURABLE MR. J. D. TYSON : Certain non-officials have been invited, Sir.

DESPATCH OF LOCOMOTIVES, WAGONS, ETC., OVERSEAS.

165. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : In view of the serious war situation developing in India, do Government propose immediately to stop the despatch of locomotives, wagons, dismantled railway track and equipment outside this country?

THE HONOURABLE MR. C. M. TRIVEDI : The matter is under the constant examination of General Headquarters and the Railway Department.

Certain reductions in the programme of despatches have already been made. Complete cessation of despatch of railway material is not feasible, but all demands are being, and will be, carefully examined in the light of India's requirements.

INCREASE IN POSTAL RATES ON LETTERS AND TELEGRAMS.

166. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Have Government increased the ordinary letter rate from $1\frac{1}{2}$ to $1\frac{1}{2}$ annas, and the minimum rate for an ordinary telegram from 10 annas to 12 annas, and have they reduced the rate for airgraph letters to the United Kingdom from 14 annas to 8 annas, with effect from 1st April, 1942? If so, are Government aware that the increase will adversely affect the poorer classes in this country, and the reduction in airgraph rate will affect only a small class of comparatively well-to-do persons?

THE HONOURABLE MR. C. M. TRIVEDI : The reply to the first part of the question is in the affirmative. Government do not subscribe to the view that the increase in letter postage will have a specially adverse effect upon the poorer classes for whom the postcard is available at the same rate as before. Eight annas was the original postage proposed for the airgraph, and the Empire Air Mail letter rate of fourteen annas was adopted only as a temporary measure pending agreement of the Secretary of State to the eight anna rate.

AMERICAN TECHNICAL MISSION.

167. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government make a statement regarding the exact scope and nature of the work of the proposed American Mission to India, and do they propose to give a categorical assurance that no foreign vested interests will be created in this country under the cloak of technical help for the strengthening of industrial war effort?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : The general object of the American Technical Mission to India is to develop as fully and as rapidly as possible the industrial resources of India, which is now a most important base for the armed forces of the United Nations in the Middle and Far East. The Mission will deal with a number of specific problems, and there is no reason whatever to suppose that it will attempt to create new vested interests. Any such suggestion is to be strongly deprecated.

THE HONOURABLE MR. HOSSAIN IMAM : Is it a fact, Sir, that the United States are stationing now an Air Force in India?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : I require notice of that question, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Does my Honourable friend General Hartley also require notice of that question?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : The question was put to me.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is it not competent to my Honourable friend to answer it.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: It may not be in the public interest to give that information.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Say so, then.

THE HONOURABLE MR. V. V. KALIKAR: Do Government propose to associate Indian industrialists with this Mission?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: That presupposes that they have come here to start industries. I never said that they have come here to start industries.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: May not the co-operation of the Indian industrialists be very helpful?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: You can rest assured that nothing in this country can proceed without the assistance and advice of people who know something about their business.

SUPPLY OF FOODSTUFFS TO CEYLON.

168. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state whether as a result of the visit to India of the Minister of Agriculture, Ceylon, arrangements are being made by the Government of India to send out foodstuffs from this country to Ceylon? If so, how much? Have Government taken all possible steps to assure themselves that there will be no shortage of foodstuffs for consumption in India as a result of the war situation?

THE HONOURABLE SIR ALAN LLOYD: The Government of India have agreed to facilitate exports to the extent necessary for the satisfaction of Ceylon's primary food requirements, subject to the condition that Ceylon cannot expect to be in proportionately better position than India herself, if supplies available in India fall below the full figure of the requirements of the two countries taken together. It is not possible to give exact figures but the Government of India are keeping a close watch over the situation and propose to regulate the quantities exported from different areas with due regard to the varying conditions of supply in those areas. Active measures are in hand to ensure the increase of the production of foodstuffs in India.

THE HONOURABLE MR. HOSSAIN IMAM: May we know what are the foodstuffs which Ceylon imports from India?

THE HONOURABLE SIR ALAN LLOYD: Rice is the principal one and also such things as *jowar* and *bajra*.

THE HONOURABLE MR. HOSSAIN IMAM: Is it a fact that India is on balance an importer, to the tune of about 800,000 tons, of rice?

THE HONOURABLE SIR ALAN LLOYD: I cannot give exact figures but it is a fact that India is on balance an importer of rice.

RACIAL DISCRIMINATION IN EVACUATION ARRANGEMENTS IN AND FROM MALAYA.

169. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Has the attention of Government been drawn to the following statements made by

Mr. Rajabali Jumabhoy, President of the Indian Chamber of Commerce, Singapore, at the meeting of the Federation of Indian Chambers of Commerce, recently held in Delhi (*vide the Hindustan Times*, dated the 9th March, 1942, page 5):—

- (i) "Penang fell into enemy hands all of a sudden. No Indian was given any chance to leave Penang. Only the white population left";
- (ii) "Some ships were provided, but at our expense. We had to pay our passages, whilst non-Indians and non-Ceylonese were provided with free passages and better ships. The result was that most of the families, specially of the middle and the poorer classes, were left behind";
- (iii) "Only a limited amount of 1st and 2nd class passages were given. Most of the 1st and 2nd class passages went to non-Indians";
- (iv) "Indians were allowed to evacuate to India only; Europeans, Chinese, Jews, can go anywhere, but not Indians"?

(b) Will Government take immediate steps to investigate into the above allegations, and also into the following points made in the speech above referred to:—

- (i) the evacuees were provided with an unseaworthy boat,
- (ii) the obstinacy of the captain in not allowing their luggage, and
- (iii) they were packed a thousand people in a river boat to Batavia, with no doctor, no sanitation, no cooking facilities, no utensils, etc.?

THE HONOURABLE MR. G. S. BOZMAN: (a) Yes.

(b) Those complaints susceptible of investigation are already the subject of examination and inquiry. As I have already informed the House the other matters upon which it is not possible to obtain further evidence, have been reported to the proper quarters with a statement that in the opinion of the Government of India they call for a thorough examination when circumstances permit.

SCORCHED EARTH POLICY.

170. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Have Government formulated any scheme with regard to what has been called the "scorched earth policy" to be pursued in this country in certain emergency; and has their attention been drawn to the proceedings of the meeting of the Federation of the Indian Chambers of Commerce, recently held in Delhi, in which this policy has been described as unsuitable for India?

(b) Has the attention of Government been drawn in this connection to the statement publicly made by Dr. Van Mook, the Governor General of the Netherlands East Indies, on his arrival in Australia, after the disaster in Java, that "there should be an end to destroying and retreating" (*vide the Hindustan Times*, dated the 10th March, 1942, page 8)?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: (a) As regards the first part, the question of the measures to be adopted to deny to the enemy all materials and facilities of immediate military value to him is under the careful consideration of Government and it is hoped to issue a statement on

the subject shortly. I may add, however, that there is no intention whatsoever to follow a policy of general destruction which is what is generally understood by the term "scorched earth".

The reply to the second part is in the affirmative.

(b) Yes.

KHAN SAHEB S. A. ASHRAF, ASSISTANT DIRECTOR, SUPPLY DEPARTMENT.

171. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state the facts and circumstances relating to the alleged acceptance of bribe by Khan Saheb S. A. Ashraf, Assistant Director in the Supply Department; and the steps taken in that connection?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: As the matter on which information is sought is still under consideration, Government consider that it will not be in the public interest to give this information.

NUMBER OF ITALIAN PRISONERS OF WAR.

172. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state the total number of Italian prisoners of war in India, and the kind of work on which they are employed?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: The answer to the first part of the question is 67,000 approximately. As regards the latter part, a statement has been laid on the table.

List of works on which prisoners of war are employed.

1. Cooks.
2. Bakers.
3. Laundries.
4. Carpenters.
5. Shoemakers.
6. Home industries.
7. Gardens.
8. Construction work.
9. Barbers.
10. Tailors.
11. Clerks.
12. Camp canteens.
13. Butchers.
14. Waiters.
15. Prisoners of war officers' servants—batmen.
16. Blacksmiths.
17. Sanitary orderlies.
18. Brick making.
19. Road construction in vicinity of camps.
20. Anti-malarial drainage.
21. Unskilled labour for cleaning and levelling sites.

POSTPONEMENT OF THE COLLECTION OF TAXES ON INCOME THAT HAS ACCRUED OR ARISEN IN BURMA, ETC.

173. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government make a statement regarding the steps which they have taken, or propose to take, in connection with the proceedings for assessment and suspension of collection of income-tax from firms or individuals doing business in Burma, Malaya and the Far East, who had to close down their business in those parts due to war?

THE HONOURABLE MR. C. E. JONES: Government have already issued telegraphic instructions that further collection of taxes on all income—remitted or unremitted—that has accrued or arisen in Burma, Malaya or Indo-China in the previous year for the 1941-42 assessment should be postponed for the duration of the war. Commissioners of Income-tax have also been asked to consider sympathetically any case of an assessment prior to 1941-42 with a view to hardship being avoided. A further circular clarifying these points and extending the scope of these instructions to other enemy occupied territories in the Far East has also been issued.

THE HONOURABLE MR. HOSSAIN IMAM: Will the Honourable Member lay that circular on the table of the House? It will be very helpful.

THE HONOURABLE MR. C. E. JONES: I am quite prepared to do so, Sir.

INCOME-TAX OFFICERS IN THE BIHAR AND ORISSA CIRCLE.

174. THE HONOURABLE MR. N. K. DAS: Will Government say (a) how many Income-tax officers were appointed since two such officers in Bihar and Orissa Circle were retrenched in 1933; and

(b) Whether the case of these retrenched Income-tax officers came up for consideration when new officers were being appointed? If not, why not?

THE HONOURABLE MR. C. E. JONES: The information has been called for and will be laid on the table of the House in due course.

THE HONOURABLE MR. N. K. DAS: Do Government propose to inquire into the cases of these retrenched officers and remedy any injustice that has been done to them?

THE HONOURABLE MR. C. E. JONES: I have already stated in this House, Sir, that Government do not admit that any injustice has been done.

LEASES FOR THE MANUFACTURE OF SALT.

175. THE HONOURABLE MR. N. K. DAS: (a) Will Government state whether they have any definite and settled policy in the matter of settlement of salt licences or leases or contracts?

- (b) (i) Is it one of giving a monopoly to one or a group of persons? or
 (ii) Is it one of settlement from year to year or period to period? or
 (iii) Is it one of settlement with the highest bidder or tenderer?

(c) Why and how does it differ from their policy in respect of excise contracts, leases or licences?

(d) Does the excise and salt licence settlement policy of Government vary from province to province and from area to area?

(e) If the answer to part (d) is in the affirmative, do Government propose to lay down one uniform policy in respect of excise and salt licences throughout India? If so, how soon? If not, why not?

THE HONOURABLE MR. C. E. JONES: (a) and (b). The grant of salt leases and licences where this rests with the Central Government is regulated by rules laid down in the Manuals of the Salt Department. The right to manufacture salt in such cases is not necessarily put up to auction and the Collector is empowered to make assignments. Generally the licence is renewed in favour of the ex-licensee if the factory has been satisfactorily run and his financial position is satisfactory. The leases normally run for a period of 25 years.

(c), (d) and (e). Government are not aware of the policy followed in the various provinces with regard to excise contracts, licences, etc., since this is a matter which is exclusively within the cognizance of the Provincial Governments.

THE HONOURABLE MR. N. K. DAS: Is the Government aware that a certain person in Orissa has been enjoying a lease for 30 years and that it has now been proposed after the expiry of the lease this year to extend his lease for another 30 years?

THE HONOURABLE MR. C. E. JONES: It may quite possibly be so, Sir.

THE HONOURABLE MR. N. K. DAS: Do Government realise that it may fetch them better revenue if that salt area were settled with more than one person instead of one?

THE HONOURABLE MR. C. E. JONES: I do not think so, Sir.

THE HONOURABLE MR. HOSSAIN IMAM: Is it a fact that in other places the contracts are for a lesser period than 25 years?

THE HONOURABLE MR. C. E. JONES: Contracts are normally given for 25 years. It is the normal period. A considerable amount of capital has to be sunk in the development of these salt fields.

EFFECT OF THE RATIONING OF PETROL ON TRANSPORT SERVICES.

176. THE HONOURABLE MR. N. K. DAS: (a) Are Government aware that very useful passenger, goods and mail conveyance services in motor buses in the rural and urban areas in many of the provinces have greatly suffered due to the drastic cutting down of the ration of petrol, which now stands at one-quarter of the basic ration?

(b) How do Government propose to remedy the inconveniences and hardships thus caused?

THE HONOURABLE MR. C. M. TRIVEDI: (a) Government realise that the unavoidable reduction of the total consumption of petrol by 40 per cent. cannot fail to be reflected in the reduction of transport services, but, as far as is possible, rations are adjusted so as to preserve essential services.

I am not aware of any case in which the ration now stands at one-quarter of the basic ration, but if the Honourable Member will let me have particulars of any such case, I will look into it.

(b) By reducing non-essential uses of petrol and developing alternative fuels—producer gas and power alcohol.

THE HONOURABLE MR. HOSSAIN IMAM: Has any step been taken to popularise the manufacture of power alcohol?

THE HONOURABLE MR. C. M. TRIVEDI: Steps are being taken.

EFFECT OF THE RATIONING OF PETROL ON TRANSPORT SERVICES.

177. THE HONOURABLE MR. N. K. DAS: (a) Do Government propose to advance money to bus owners keeping up services referred to in the preceding question to enable them to purchase and instal coal-gas equipments in their buses?

(b) If so, what are the terms of repayment of these advances and what amount has been sanctioned or proposed to be made available to each of the Provinces?

THE HONOURABLE MR. C. M. TRIVEDI: (a) and (b). The administration of motor transport is a provincial matter. I understand that the Government of Bombay have under consideration proposals for the grant of advances for the purchase of producer gas plants, repayable in instalments, but I have no information as to the terms of the advances and repayments. I have no information as to what is being done in other Provinces.

AREA OF RECRUITMENT ASSIGNED TO THE CALCUTTA CUSTOMS HOUSE.

178. THE HONOURABLE MR. N. K. DAS: (a) Will Government say whether Calcutta is the centre of recruitment for the Provinces of Bihar, Bengal, Assam and Orissa, for officers employed in the Customs Department of the Government of India?

(b) If not, for what Province or Provinces is Calcutta the recruiting centre for Customs officers?

(c) If so, will Government lay on the table a list of officers recruited at Calcutta as Appraising officers from each of the provinces above-named?

THE HONOURABLE MR. C. E. JONES: (a) Presumably the Honourable Member wants to know the area of recruitment assigned to the Calcutta Customs House. If so, it comprises the Provinces of Bengal, Bihar, Assam and Orissa.

(b) Does not arise.

(c) The information asked for by the Honourable Member is being obtained and will be furnished to him when received.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask, Sir, that it be laid on the table of the House?

THE HONOURABLE MR. C. E. JONES: Yes, Sir.

PHOTOGRAPHS AND FILMS OF OPERATIONS OF WAR.

179. THE HONOURABLE MR. N. K. DAS: (a) Will Government state whether any photographs and films have been taken or received of operations of war in European countries and of Eastern and Western theatres of war in the East? If so, will they be shown to members of the Legislature?

(b) How many Indian journalists have been permitted or sent to accompany army units in active operations on the various war fronts?

(c) What arrangements are made for journalists and photographers to accompany army units on active operations against the enemy; and whether any procedure is adopted similar to that employed by the German army whereby journalists and photographers are incorporated in the ranks of the army for the purpose of recording operations, either to be utilised in instruction of troops in tactics or by way of making documentary films for release to the general public?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: (a) A very large number of photographs and films of operations of war have been taken in the various theatres of war and received in India. The photographs are regularly released to, and published in the Press, in *Indian Information* and in *War and Pictures* and the films have been regularly exhibited in Indian cinemas, either in the form of news-reels or "shorts", with commentaries in Indian languages. It would be impossible to show them all to Members of the Legislature but the Director of Public Relations, Defence Department, and the Department of Information and Broadcasting can arrange for a showing of selected films and an exhibition of photographs if there is a general desire for it.

(b) Only one Indian newspaper has hitherto asked to be allowed to send a representative to accompany units of the Indian Army on active service.

Two parties of editors and special representatives of Indian newspapers have visited the Middle East and Malaya respectively. Further tours have been under consideration but the difficulties of transport, particularly by air, have recently been acute and it has therefore not been possible to arrange them.

(c) Correspondents of newspapers can be accredited and accompany fighting forces if newspapers wish it and apply to the Director of Public Relations. A skeleton Conducting Branch of the Public Relations Directorate has recently been organised, on the lines of that now operating in the Middle East under the War Office, to control all correspondents, Indian, British and foreign, in the event of active operations in India, and to deal with the special correspondents who have recently arrived from overseas. Correspondents are not permitted to accompany fighting troops without a Conducting Officer.

Commissioned officers are serving as Official Observers, Cinematographers and Photographers with the Indian Army in all theatres of war. They accompany the troops into action for the purpose of recording operations. This organization is under the Director of Public Relations, Defence Department.

SENDING OF SOLDIERS, WHO ARE UNDER 20 YEARS OF AGE, OVERSEAS.

180. THE HONOURABLE MR. N. K. DAS: (a) Is there any Regulation as in England, that no member of Indian forces under 20 years of age is to be sent overseas?

(b) How many sepoys under 20 years of age have been sent out of India for war purposes?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: (a) The Regulations both in India and in England provide for soldiers under 20 years of age being sent overseas.

(b) The information is not readily available and cannot be collected without an undue expenditure of time and labour.

INDIAN PRISONERS OF WAR.

181. THE HONOURABLE MR. N. K. DAS: Has any report been received from the International Red Cross Committee, regarding the condition of Indian prisoners in various places?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: Information has so far been received from the International Red Cross Committee only in respect of prisoners in Germany. As regards those in Italy, information has been received through the Protecting Power. No information has been received in respect of prisoners of war captured by Japan.

SETTING UP OF EVACUATION AND RECEPTION AREAS.

182. THE HONOURABLE MR. N. K. DAS: Will Government state whether they have arranged in view of the proximity of danger of war, to set up evacuation and reception areas as has been done in England?

THE HONOURABLE MR. E. RAGHAVENDRA RAO: This matter is really one for Provincial Governments to consider, but I have every reason to believe that adequate arrangements have been made in accordance with the general instructions issued by the Government of India, which drew attention to the need for preparation of evacuation schemes and such reception areas.

RACIAL DISCRIMINATION IN EVACUATION ARRANGEMENTS FROM HONG KONG.

183. THE HONOURABLE MR. N. K. DAS: (a) Is it a fact that 950 British women and 400 children were compulsorily evacuated from Hong Kong, but the Indian residents were not similarly evacuated?

(b) Is it a fact that they were positively prevented from going over to the ships?

THE HONOURABLE MR. G. S. BOZMAN: I regret I have no information.

LOOTING OF ORANGES BY SOLDIERS AT KATOL.

184. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) Has the attention of Government been drawn to a letter from Mr. A. G. Sheorey,

appearing in the *Hitawada* of Nagpur, dated the 8th March, regarding the looting of oranges by soldiers at Katol, a railway station between Betul and Nagpur?

(b) Is it a fact that but for the timely intervention of Mr. Sheorey and Mr. A. G. F. Farquhar, Civil Defence Officer, Central Provinces, the looting of oranges would have gone on unchecked?

(c) Is it also a fact that the matter was brought to the notice of the military officer who was travelling in the same train?

(d) What action has been taken against the offending soldiers and what do Government propose to do to prevent the occurrence of similar incidents in future?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: (a) Yes.

(b) and (c). From the letter of Mr. Sheorey it appears that prompt action was taken.

(d) Inquiry is being made and the information will be laid on the table in due course.

DISCOURTESY SHOWN TO MR. G. S. KHARE WHILE ATTEMPTING TO ENTER A FIRST CLASS COMPARTMENT.

185. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) Has the attention of Government been drawn to the telegram published in column 2 of page 8 of the *Hindustan Times*, dated the 15th March, under the heading "Indian Officer pushed out—European passenger's behaviour—Mailtrain detained for 45 minutes"?

(b) Is it a fact that a European passenger pushed Mr. G. S. Khare, I. C. S., Director of Industries, United Provinces, out of a first class compartment and then bolted the door of the compartment?

(c) What is the name of the European passenger referred to above and what is the position that he occupies?

(d) What action have Government taken against him?

THE HONOURABLE MR. C. M. TRIVEDI: (a) Yes.

(b) I understand that admission was at first refused and the door bolted. On explanation by the Station Staff that berth reservations did not apply during the hours of daylight, the door was opened and the gentleman was accommodated.

(c) The name of the European passenger referred to is Mr. T. L. Catling. He is an officer of the Far Eastern Bureau of the British Ministry of Information.

(d) The attention of the Honourable Member is drawn to an extract from Mr. Catling's communication which appeared in the *Hindustan Times* of the 19th March, 1942, a copy of which is placed on the table of the House. Mr. Catling apparently genuinely believed that the reservation of four berths entitled his party to the exclusive use of the carriage. An Indian gentleman from Colombo. Mr. Catling has publicly expressed his regret of any offence he may have given to Mr. Khare. The Government of India do not propose to pursue the matter.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Where has Mr. Catling expressed his regret?

THE HONOURABLE MR. C. M. TRIVEDI: In the *Hindustan Times* of which a copy has been laid on the table.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is the Honourable Member aware that in that letter he has justified his action?

THE HONOURABLE MR. C. M. TRIVEDI: At the end he has said:—

"I hasten to add that if the Allahabad passenger is genuinely under the impression that I have in any way insulted him, I wish to offer my heartfelt apology".

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is it a fact, Sir, that that passenger was driven out of the compartment by Mr. Catling?

THE HONOURABLE MR. C. M. TRIVEDI: He was not admitted as Mr. Catling was under the impression that the reservation applied to the day.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Was he not admitted or was he driven out of the compartment when he went in?

THE HONOURABLE MR. C. M. TRIVEDI: I have answered that. Admission was at first refused and the door bolted.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Admission was at first refused, but afterwards when the passenger went in was he pushed out?

THE HONOURABLE MR. C. M. TRIVEDI: I have no information, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will Government inquire?

THE HONOURABLE MR. C. M. TRIVEDI: I will find out, Sir.

Extract from Hindustan Times, dated 19th March, 1942.

With reference to the news "Indian Officer Pushed out. European Passenger's Behaviour", sent by our Allahabad correspondent and published in the *Hindustan Times*, March 15, 1942 (Town Edition), Mr. Thos. Catling of the Far Eastern Bureau, British Ministry of Information, who was concerned in the reported incident, has sent us a communication in the course of which he writes:—

"On the assumption that the compartment in which all four sleeping berths had been reserved for me and my party was ours for the journey and especially as our beds were still down and a lady in the party—who is the widow of a Wing Commander recently killed in Java and who herself was injured before escaping from that island—was lying down, I declined to admit a number of passengers. One, however, insisted that he was entitled to enter the compartment during the hours of daylight. This being contrary to what I believed and had previously experienced in travelling from Colombo to Calcutta, I insisted on having confirmation from the station officials. The Station Master did not give a clear confirmation of this, but asked me 'as a favour to him' to admit the passenger and I did so. The lady was present during the whole discussion. The other members of my party were Mr. T. G. Donovan Bayley and Sardar Shah Nawaz Khan. Both are members of the Far Eastern Bureau of the British Ministry of Information.

"To make of this minor affair an issue of 'racial arrogance' would, if it were not extremely malicious, be vastly absurd, since at no time did the question of nationality arise and since one of my party was an Indian gentleman who travelled the whole journey with me.

"I hasten to add that if the Allahabad passenger is genuinely under the impression that I have in any way insulted him, I wish to offer my heartfelt apology".

PUBLICITY ADVISORY COMMITTEE.

186. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : (a) Was an Advisory Committee attached to the Information and Broadcasting Department in November last ?

(b) Has it met since then ? If not, why not ? Is it proposed to convene a meeting of it now ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : (a) and (b). The Honourable Member is probably thinking of the Publicity Advisory Committee, which the late Sir Akbar Hydari had decided to constitute to advise his Department. The membership of that Committee was completed just before his death and it was his intention to call a meeting in February. No action has been taken in this direction pending the appointment of his successor.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is there anybody who is carrying on the work of that Department or not ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : The Secretary of the Department is carrying on.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Why is it not possible for the Secretary to convene a meeting of this Committee ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : He certainly could call it, but since the Member is not there he probably thinks it is advisable to wait and let the Member have the privilege and pleasure of presiding over the first meeting.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : We do not know when the Member will be appointed, but will the Government ask the Secretary in the meanwhile to convene a meeting of this Committee ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : I shall convey to him the wishes of the Honourable Member to see if he has any items which he can place straightaway before the Committee and he might consider it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is the Honourable Member aware that Sir Akbar Hydari intended to convene a meeting of this Committee at a very early date ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Yes, I have said that in my answer.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Why does the Honourable Member suppose then that there is no business to be laid before this Committee ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : Perhaps there may be ; I am not aware.

THE HONOURABLE MR. HOSSAIN IMAM : Why was not a Standing Committee of the two Houses formed for this Department ?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON : It is a new Department and I am sure that the regular procedure will be put into force regarding this Department too, but it is very unfortunate that the first Member should have left us so quickly. Be a little patient and you will get everything.

THE HONOURABLE MR. HOSSAIN IMAM : In this Session, not in the last Session, Sir.

(No answer.)

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary) : Sir, I lay on the table the information promised in reply to question No. 57, asked by the Honourable Raja Yuveraj Dutta Singh on the 13th November, 1941.

EXPENDITURE INVOLVED IN THE "SIMLA EXODUS", 1941.

The total approximate expenditure for the Civil Departments and Attached Offices, Defence Department, the General Headquarters and the Air Headquarters was Rs. 14,23,000.

THE HONOURABLE MR. C. E. JONES (Finance Secretary) : Sir, I lay on the table the information promised in reply to question No. 55, asked by the Honourable Haji Syed Muhammad Husain on the 24th February, 1942.

INCOME-TAX OFFICERS IN THE UNITED PROVINCES.

Three Income-tax Officers in the United Provinces were held up at the efficiency bar during the past four years and their cases have been reviewed by the Commissioner of Income-tax from time to time, though not at regular intervals of a year. As the result of such reviews the bar was removed in one case. The results of the Commissioner's reviews were communicated to the officers concerned but were not reported to Government as they do not examine such cases except in appeal. Government do not propose to depart from this practice.

STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

THE HONOURABLE THE PRESIDENT : With reference to the announcement made by me on the 23rd March regarding nominations to the three Committees, I have to announce that the following members have been nominated for election to the Standing Committee to advise on subjects with which the Labour Department is concerned :—

1. The Honourable Sir Ramunni Menon.
2. The Honourable Rai Bahadur Lala Ram Saran Das.

There are two candidates for two seats and I declare them duly elected.

STANDING COMMITTEE FOR THE DEPARTMENT OF CIVIL DEFENCE.

THE HONOURABLE THE PRESIDENT : The following Honourable Members have been nominated for election to the Standing Committee to advise on subjects in the Department of Civil Defence :—

1. The Honourable Mr. P. N. Saprú.
2. The Honourable Haji Syed Muhammad Husain.

There are two candidates for two seats and I declare them duly elected

CENTRAL COMMITTEE OF THE TUBERCULOSIS ASSOCIATION OF INDIA.

THE HONOURABLE THE PRESIDENT: The Honourable Mr. M. N. Dalal has been nominated for election to the Central Committee of the Tuberculosis Association of India.

There is one candidate for one seat and I declare him duly elected.

WEEKLY HOLIDAYS BILL.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Labour Member): Sir, I beg to move:—

"That the Bill to provide for the grant of weekly holidays to persons employed in shops, restaurants and theatres, as passed by the Legislative Assembly, be taken into consideration."

Sir, it is a very simple measure and the Statement of Objects and Reasons has already been printed with the copy which has been circulated to Honourable Members. Certain amendments have been moved and carried in the other House and I feel that the Bill is not all that could be desired, but it is all that can practically be pushed through at the moment with as much consensus of opinion and as little opposition as possible. Commercial concerns have been omitted from the purview of this Bill because of war; certain Provinces are ready to grant so many exemptions for war purposes that the other House felt that it was better to leave out commercial concerns altogether.

With these few remarks, Sir, I move.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Sir, I welcome this Bill though it is of a limited character. It is after a great deal of agitation that the provisions embodied in the Bill will be laid in the Statute-book. I hope, however, that at no distant date the provisions will be made wider and that the Bill will cease to be as restrictive as it is. My Honourable friend Sir Firoz Khan Noon said that Government had gone as far as they could consistently with public opinion and the opposition of the industrialists—

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: I never mentioned industrialists.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Whose opposition did you mean?

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: I did not mean any opposition at all.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: The Honourable Member referred to the opposition of some class. I am quite certain of that.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: I did not mention any particular class. Criticism was made against certain provisions of the Bill in the Select Committee and also in the Reports from Provincial Governments and we have had to abide by the general consensus of opinion in this matter.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: All that I can say is that public opinion would have favoured a bolder Bill and the Government will find when they bring forward a wider Bill that it will have the fullest support of public opinion.

The Motion was adopted.

Clause 2 was added to the Bill.

Clauses 3 to 10 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON: Sir, I move:—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INDUSTRIAL STATISTICS BILL.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary): Sir, I move:—

"That the Bill to facilitate the collection of statistics of certain kinds relating to industries, as passed by the Legislative Assembly, be taken into consideration."

The subject-matter of this Bill, Sir, may be said to fall into two parts. The object is to facilitate the collection of statistics (a) as will be seen from clause 3 (1) (a) in respect of any matters relating to factories and (b) in respect of certain specified matters so far as they relate to the welfare of labour and conditions of labour. The discussions which have led to the drafting of this Bill began with the first of these two objects. Shortly after my Honourable friend, who is in charge of the Department in which I am privileged to serve, assumed office he was impressed with the unsatisfactory position of the collection of statistics relating to industries in India. I do not suggest that the field was bare. There were already in existence two publications issued by the Department of Commercial Intelligence and Statistics: one a biennial publication entitled *Large Industrial Establishments in India* and another a monthly publication showing the production of certain selected industries in India. There is also a similar monthly publication dealing with the production of cotton textile mills. These publications were by no means adequate to meet the needs of Government and of the public at a time of increased diversification and development of industries. Their very limits confined them to the major industries which were already well established in the country but we had even before the outbreak of the war reached an era in which a very large number of small industries had sprung up in the country and of these no statistical material was collected. We in the Commerce Department felt the need for such material when ever any questions relating to tariff matters and their reaction upon industries came before us. Since the war broke out the tariff aspect of the matter has, for obvious reasons, temporarily diminished in importance but we have still felt even more impatient with our lack of material for certain other purposes; for example when we have had to consider restrictions on imports in order to conserve our supply of difficult currencies we have not had that assistance that we might have had from the knowledge whether there was an Indian industry which could fill the gap to be created by such restrictions. Again the Supply Department have had to make *ad hoc* inquiries into a very large number of

[Sir Alan Lloyd.]

As regards my Honourable friend's second point, I think he has perhaps failed to realise quite clearly the very marked differentiation between clause 3 (1) (a) and clause 3 (1) (b) of the Bill. Clause 3 (1) (a) has the widest possible scope, by referring to "any matter relating to factories", and it will undoubtedly enable us to collect information as to the sources of supply of the raw material used in factories where such information is necessary. It was only because we had this Bill on the anvil that a Bill which was under preparation by the Education, Health and Lands Department to enable them to find out how much foreign cotton and how much Indian cotton was used in textile mills was not proceeded with. I can give the Honourable Member the assurance that my Honourable colleague, if he were here, would certainly not allow me to let the collection of these statistics go into abeyance.

As regards the last part, I really do not think I can usefully do better than invite my Honourable friend's attention to the provisions of the Government of India Act, 1935, as regards the extent of the executive authority which that Act imposes upon Provincial Governments in the administration of subjects in the division of responsibility between Provincial Governments can be avoided by the existence in the Central Act of a power of direction such as that contained in clause 11 of the Bill. I think the particular reference, Sir, speaking from memory, is to section 126, sub-section (2) of the Government of India Act. I can assure the Honourable Member that our object is that to the extent that we in the Centre think it necessary that statistics should be collected on a satisfactory and uniform basis, this should be done by giving direction to Provincial Governments. There may also be cases where we may not think it quite necessary to make these inquiries universal throughout India, and there we leave the room open to the Provincial Governments to introduce them provincially if they think fit. But these will certainly be matters of minor importance. Perhaps I might refer to what the Honourable Member said about penalties. Penalties will not be prescribed in rules. Penalties are dealt with in clause 8 of this very Bill.

THE HONOURABLE THE PRESIDENT: Motion made:—

"That the Bill to facilitate the collection of statistics of certain kinds relating to industries, as passed by the Legislative Assembly, be taken into consideration."

Question put and Motion adopted.

Clauses 2 to 12 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR ALAN LLOYD: Sir, I move:—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

RESOLUTION RE MANUFACTURE OF WAR MATERIAL—contd.

THE HONOURABLE THE PRESIDENT: We will now proceed with the non-official business which has been fixed for today and which was taken up on the last non-official day. The Honourable Mr. Kalikar.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : Non-Muham-madan): Should I read my Motion* again, Sir?

THE HONOURABLE THE PRESIDENT: Did you read it on the last occasion?

THE HONOURABLE MR. V. V. KALIKAR: Yes, Sir.

THE HONOURABLE THE PRESIDENT: Then you can begin your speech.

THE HONOURABLE MR. V. V. KALIKAR: Sir, I owe an explanation to the House as to why I should table a Resolution of this nature about the convening of a conference of labour and industrial leaders to expedite and expand the manufacture of war materials in India. The statement made by the Commander-in-Chief the other day in this House on the Resolution of my Honourable friend Pandit Kunzru that the Defence Department is not in a position even to supply sufficient rifles for their soldiers forced me to the conclusion that there was something wrong in the industrial policy of the Government of India and therefore industrialists must associate with the Government of India in laying down certain plans, bringing those plans into execution and expedite the manufacture of equipment which is absolutely necessary at this juncture for the defence forces for keeping India free from foreign aggression. I know conferences have been held in the past, but to my great surprise I find that the requirements of the Defence Department are not sufficiently met and therefore we have to face this grave situation. National defence is not only the concern of those in charge of defence. It is also the concern of industrialists. If you want to keep a first class army and navy and air force in India or in any country, you must be able to mobilise the industrial resources in a speedy manner, to take all the help the industrialists can give you in producing your war material and to expedite the plans to that end. The position in India is quite different. In other self-governing countries the interests of the country are considered first in the matter of production and no heed is paid to the vested interests of foreign countries. Unfortunately we in India are labouring under the disadvantage that we have a Government which is not responsible to us but to Whitehall. That has worked not only to the detriment of industrialists here before the war but even during the war the necessary requirements of the defence forces are not met because the vested interests of foreign countries are taken into consideration and Indian industrialists are not taken into the confidence of the Government in power at the present day. Therefore we find we are short of equipment for our defence forces. Sir, I may be told that after the outbreak of war many new industries have been established, that old industries have been expanded and that we are manufacturing articles like brushes and goggles and other things. But I want to know what attempts have been made to expand the basic heavy industries in India. Sir Muhammad Zafrulla, the then Supply Member, gave us the information last July that Indian ordnance factories are being assisted by 250 trade workshops and 23 railway workshops, that these auxiliary establishments have undertaken the manufacture of 700 different types of munitions involving the production of so many individual articles. Fifty-four firms in India are manufacturing machine tools. The output of field guns is already 24 times the pre-war output and is expected to rise in two stages to 90 times. That is all right, but if the Government is not in

*"This Council recommends to the Governor General in Council to take immediate steps to convene a conference of industrial and labour leaders to expand and expedite the manufacture of war materials in India and to secure such machinery as may not be available in India for this purpose from abroad."

[Mr. V. V. Kalikar.]

a position to help the development of basic and strategic industry, no country can win a war in the face of an invasion by a country which has developed its industry according to plan within a very short period. India knows that its industrialists tried their level best to manufacture automobiles in India, and we know not only the obstructions but positive attempts made by the Government of India in discouraging a State which wanted to give concessions to the promoters of that industry for starting the industry in Bangalore and how the plan ultimately failed. Sir M. Visvesvaraya in his pamphlet said that it was due to the Government of India's obstructive attitude that the promoters could not establish the industry, not only in British India but even in a State which wanted to give some concessions. Their attempts were frustrated by the obstructive tactics played by the Government of India.

THE HONOURABLE SIR ALAN LLOYD: What does the Honourable Member mean by obstructive tactics? What positive act did the Government of India do?

THE HONOURABLE MR. V. V. KALIKAR: As I have been challenged, I will read a portion from Sir M. Visvesvaraya's Pamphlet "Indian Automobile Factory Scheme. Government of India's obstructive attitude".

THE HONOURABLE THE PRESIDENT: That may be his view. Is that also your view?

THE HONOURABLE MR. V. V. KALIKAR: It is my view also, because the industry has not been established in India. My view is based on the ground that in countries like Canada and Australia where experts had decided before war that they would not be in a position to manufacture motor engines they have been able to manufacture engines of even 1,000 horse power and therefore, Sir, unless Government lay before us certain facts which are not contradicted, we cannot deny the correctness of the statement made by Sir M. Visvesvaraya. He says:—

"Balked in their efforts to get the support which they had expected from the Bombay Government, the promoters opened negotiations, in April, 1941, with the Government of Mysore, who at first expressed themselves willing to render liberal assistance if the promoters undertook to establish the industry within that State. But the Government of India interfered and discouraged its establishment on the ground that the starting of the factory would impede war effort. The unusual character of this interference first led to a protest by Sir Mirza M. Ismail, Dewan of that State, and later to his resignation of his high office.

"The Government of India deny that they interfered with the discretion of the Mysore Government but I am personally aware that on behalf of the Government of India letters were written by their representative advising the Diwan of that State to agree to the abandonment of the scheme".

THE HONOURABLE THE PRESIDENT: Assuming all that is true, does that mean obstructive tactics?

THE HONOURABLE MR. V. V. KALIKAR: Then I will have to read the whole book if I have to answer your question. Members are at a disadvantage in arguing with the Chair. Kindly allow me to finish my speech.

THE HONOURABLE THE PRESIDENT: Will you please proceed?

THE HONOURABLE MR. V. V. KALIKAR: Will you give me ten minutes more, Sir? Some time has been taken in this discussion.

THE HONOURABLE THE PRESIDENT: It has taken only two minutes, not ten.

THE HONOURABLE MR. V. V. KALIKAR: That is the fate of the automobile industry which the Indian industrialist wanted to establish in India and which the Government did not like to be established. Perhaps the Government were keen about the vested interests of foreign industrialists.

THE HONOURABLE SIR ALAN LLOYD: No, Sir.

THE HONOURABLE MR. V. V. KALIKAR: Yes, Sir.

THE HONOURABLE SIR ALAN LLOYD: No, Sir. I must at once deny the statement that the Government of India had any concern for vested interests in dealing with this industry.

THE HONOURABLE MR. V. V. KALIKAR: It is no use shouting on the floor of the House. If my Honourable friend shouts, I can equally shout.

THE HONOURABLE SIR ALAN LLOYD: Yes, Sir; but I shall be speaking the truth.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: The Honourable the Commerce Secretary was very ill recently. I am afraid he has not completely got over the effects of that illness; otherwise he would not have been half as excited as he is today.

THE HONOURABLE MR. V. V. KALIKAR: Sir, it is no crime to tell the truth on the floor of the House. I have placed before the House the material that is with me on the basis of which I have made the statement. If bad temper is exhibited in this House, that does not prove at all the case of the other side.

I will now proceed with my arguments. What was done in Australia? In Australia before the war broke out, experts declared that Australia could not build even motor car engines, yet she has turned out 150 horse power and 600 horse power aero engines in considerable numbers and now she is about to produce 1200 horse power aero engines. I fail to understand, Sir, if in Australia, which is short of raw materials and labour as compared with India could achieve this thing within such a short period of two and a half years, why should India be not able to achieve that very thing. Here we know that experts have always said that in some matters if the project is undertaken it will not be economic. We know all these things for a very long time. Take the case of locomotives. Before long we were told that it would not be possible to manufacture locomotive engines in India. After that when the Government appointed a Committee to inquire, that Committee, the House knows, gave its verdict that locomotives can be manufactured in India economically. So, it is no use deciding these things on the advice of foreign experts. Sir, as I have just now told the House, even in Australia the same case happened in the case of manufacture of engines. Then, let us take the case of the manufacture of aeroplanes. Here also the industrialists were faced with a lot of difficulties and not encouragement on the part of the Government of India in starting a factory here. Ultimately they had to establish that factory somewhere. Our mouths are gagged, because we are expected not to tell the place. And what are they doing? They are doing only assemblage work and not manufacture. Indian industrialists were faced with the difficulty, or so-called difficulty, of getting plant, technical labour and

[31st MARCH, 1942]

[Mr. V. V. Kalikar.]

many other things which according to their own view they could solve and they could have established those factories and manufactured aeroplanes within two and a half years. In Australia before the outbreak of war, in January, 1939, a United Kingdom Air Mission arrived for the purpose of investigating the possibilities of aircraft production.

They reported in March of the same year that Australia had the capacity for aircraft production and recommended the construction of Beaufort torpedo bombers. Was any such thing done, Sir, so far as India was concerned by her trustees? We were told—we are even now told—that we need not care or be anxious about our defence; it is our rulers who will defend us. The world knows, and the country knows, Sir, how far their claims are justified, but I fail to understand, when I find that we are asked to give all possible help in resisting the foreign invasion and to prosecute the war efforts to our utmost capacity, why should not the Government, either the British Government or the Government of India, come to the help of the Indian industrialists. Give them a lead in these matters and see that the army requirements are manufactured on a large extent in India so that India should be self-sufficient in this matter. Sir, I am told and I have no doubt about the information that I have got, that in Australia upto last October they manufactured about 1,100 aeroplanes. They are now manufacturing a very large number and their programme is to manufacture 1,000 or over that in this year. Why should we not be able to do so? Sir, so many Commissions have come to this country. The Roger Mission had come to this country but we are kept in dark about the Report of the Roger Mission. It might be true that the Roger Mission must have recommended some plans which might be of use to the enemy and therefore the whole Report was not placed before the public, but, Sir, I fail to understand why the public should be kept in the dark about the nature of plans that they have recommended and the plans that have been accepted by the Government of India. What we are told in the Finance Member's speech is that there was a capital outlay of about Rs. 12 crores for bringing the plans recommended by the Roger Mission into existence, but, Sir, when the plans are to be executed; when we are told that factories have been established, new factories have come into being why should we fall short of equipment for our defence purposes?

Sir, let us take the case of Canada. In Canada they are manufacturing about 41 planes per week. Their shipyards have been extended to such an extent that before the war only 1,500 people were working, now about 20,000 people are working there.

Sir, then let us take the case of the manufacture of automobiles in Canada. I am told that a large number of automobiles required for the use of the army have been manufactured recently in Canada, but, Sir, here we in India only assemble certain parts of the automobiles and we have to supply the assembled article for our army purposes. My whole point is this. If Canada and Australia can develop their heavy and basic industries within two and a half years time why should India fail to develop her industries, and especially manufactured articles and equipment, that is required for the defence of India?

Sir, the whole story that is told to us by the industrialists amounts to this: that the Government of the land does not give a lead in these matters and if the industrialists want to embark on a new enterprise, then the Government put obstacles in their way. Mr. Gaganvihari Mehta in his famous article in *Roy's*

Weekly has stated definitely that there are obstructions at work in New Delhi. He says:—

"At the very commencement of the Eastern Group Conference in October, 1940 we were warned about the dangers of duplication and overlapping as between the different units of the Empire, a point which I regret to say has also recently been emphasised in a speech by the Government of India's Agent in the United States..... The fact is that the outlook and policy of the Government towards the establishment of key industries in India remains fundamentally unchanged. At every stage there is obstruction on one ground or the other—the Fiscal Commission's criteria, or lack of technical personnel or restriction of machinery or duplication with other Commonwealth units and so forth. This attitude is in striking contrast to that of the Dominion Governments which are wide awake to the opportunities afforded by the war to establish industries that will endure after the war".

THE HONOURABLE THE PRESIDENT: Do you accuse the Fiscal Commission of obstruction?

THE HONOURABLE MR. V. V. KALIKAR: I do not accuse the Fiscal Commission of obstruction. I am putting before the House the obstructions that are, according to Mr. Mehta, placed by the Government.

THE HONOURABLE THE PRESIDENT: You read from Mr. Mehta's article in which he says that the Fiscal Commission also on one ground or the other put obstructions.

THE HONOURABLE MR. V. V. KALIKAR: One of the grounds is that the Fiscal Commission criteria is applied very strictly in starting new industries.

THE HONOURABLE THE PRESIDENT: This is perfectly wrong. I was a Member of the Fiscal Commission and I say it is absolutely untrue.

THE HONOURABLE MR. V. V. KALIKAR: I know, Sir. It may be wrong, but a statement made by such an influential industrialist that obstructions are placed by the Government of India on the enterprise is to be considered very seriously by the public in India. If there are no obstructions, we do not understand why the industries do not come into existence in spite of the efforts made by the Indian industrialists. After all, the question is whether we want India to be self-sufficient or not, at least during the period of the war, so far as defence requirements are concerned. If we want India to be self-sufficient, we must take courage in both our hands and develop industries in such a way that the interests of the Defence Department so far as their requirements are concerned will not in any way be subordinated to the interests of foreign industrialists. The fact that the automobile industry could not be started in India, the fact that the shipbuilding industry had to be driven away from the Hooghly to Vizagapatnam the fact mentioned by Mr. Gandy of Tatas—that fact was mentioned in November, 1940—that it was because imports from foreign countries were stopped that he could get orders for tyres, wheels and axles—all these facts go to show, Sir, that there is something wrong with the Government of India so far as their attitude about industrialisation of India is concerned—

THE HONOURABLE THE PRESIDENT: Please bring your remarks to a close.

THE HONOURABLE MR. V. V. KALIKAR: You took about ten minutes more than your time, Sir.

THE HONOURABLE THE PRESIDENT : You took two minutes with your discussion with Sir Alan Lloyd and I have made allowance for that.

THE HONOURABLE MR. V. V. KALIKAR : You took two minutes and the Honourable Sir Alan Lloyd took about six minutes. So I must get eight minutes more, Sir.

All these things clearly prove that the industrialists not only do not get help but they are faced with obstruction. On account of the past action of the Government of India, we have come to the conclusion that the Government of India take orders from the British Government who is responsible for this state of affairs. The American Mission is coming to India. The industrialists in India are afraid that this Mission will again create vested interests. I therefore put this morning a definite question whether the Indian industrialists will be associated with this Mission and I was told that the Mission is not coming to India for starting industries. I do not know what they are coming here for if they are not coming to give advice for starting the new industries that are required for the defence of India. If Indian industrialists are not to be associated with them, the public of India is perfectly justified in thinking that foreign vested interests will be created as a result of the visit of this Mission—

THE HONOURABLE THE PRESIDENT : Do you urge that the Americans are going to put in capital here ?

THE HONOURABLE MR. V. V. KALIKAR : I do not know, but they have started an assemblage plant at Sind, and that clearly shows what they are going to do. I find from a statement made by my Honourable friend the Supply Member in the other House that—

“ The visit of the Mission would do a great deal to remedy the glaring defects in the industrial organisation of India and to put India even more largely on the war map of the world ”.

I hope, Sir, that with this assurance he has given in the other House, he will be able to bring pressure on the present Government to allow the Indian industrialists to take part in the discussion of the plans that will be made by the Mission and to see that the plans are executed immediately. My object in moving this Resolution is that Indian industrialists must be made to feel that they are also taken into confidence by the Government of the country in manufacturing articles which are quite necessary at this juncture for the defence of India. It should not be only the concern of the Government but it should also be the concern of the Indian industrialists, and if they are encouraged, I hope we will not have to face the same situation of shortage of equipment and other things that we are facing now. I am not myself an industrialist. I am an agriculturist. But, Sir, even an agriculturist can understand the situation correctly. I therefore hope that my Honourable friend the Supply Member, who was an Indian industrialist for a very long time before he came to the Government benches, will give his earnest consideration to this point and see that Indian industrialists are associated in starting the new factories that are required for giving the Army, Navy and Air Force the necessary equipment that is needed at this juncture.

With these words, Sir, I move the Resolution.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary) : Sir, it is not my duty to answer this debate and I do not propose to deal at any length

with the speech made by the Honourable the mover of this Resolution, I merely wish to take the opportunity of saying one word about the point which led me to interrupt him just now. I can assure my Honourable friend Pandit Kunzru that my state of health is not such as to make it impossible for me to stand up patiently—perhaps more patiently than others—to personal attacks. But what did upset me was to find my Honourable friend making what I can only call a poisonous insinuation against the Government which I am privileged to serve, and in particular against the Honourable Member of the Executive Council with whom I work. That Member has in this House explained the position regarding the automobile industry at very great length in a debate in an earlier session. I think my Honourable friend Pandit Kunzru has heard him even at greater length in another place. And it is attributing to him dishonourable and disingenuous motives if the explanations, rightly or wrongly, which he gave of Government's action are brushed aside and instead the Honourable Member attributes all that has happened to a wish to respect foreign vested interests. It was that statement and that statement alone that I wish to dispute. I can assure the Honourable Member and the rest of the House—I believe the Honourable Member will probably be in a minority of one,—in disbelieving me when I say that I have been associated with these discussions for nearly three years now and there has never been one word either written or spoken of doing anything for the sake of protecting foreign vested interests.

THE HONOURABLE SIR HOMI MODY (Supply Member) : Mr. President, I have listened with very great attention to the speech made by the Honourable the mover of the Resolution, but I regret I am unable to accept the Resolution. My Honourable friend has advanced really no arguments in support of the main point of his Resolution, namely, that industrial and labour leaders ought to be associated with the Supply Department with a view to expedite production and to give a stimulus to the war effort. He dealt as a matter of fact very largely with the past, with the failure as he called it of the Government of India in not equipping the country with a proper industrial structure. I am not going to be drawn into a controversy over the inadequate industrial structure of this country as it existed before the war, or with regard to the causes which brought it about. I am only concerned with dealing with the situation as it has existed since the outbreak of the war.

The assumption underlying my Honourable friend's Resolution is that there is a great deal of industrial potential in this country which could be brought out, so to speak, if labour and industrial leaders were called to a conference with Government. The facts I am afraid do not bear that out. Industry in my opinion has been all out since the outbreak of the war, and while I am not prepared to argue with my Honourable friend when he sets up comparisons with Australia, Canada and the other Dominions, I can say this with confidence that India's effort has been something outstanding. Take the field of armaments production. A great many people seem to appraise the achievements of India by the facts which are known to the public at large that we cannot manufacture aeroplanes, we cannot manufacture certain types of guns, we cannot manufacture tanks and the like. Critics who approach the problem from that angle forget that, while this may be true, it is also true that there are an enormous number of other things which are required for the purpose of equipping a fighting army, and if you take into consideration the achievements of the Government in the field of armaments production and civil production I think you are bound to come to the conclusion that India's effort has been no whit behind the effort put forward by any other Dominion. Even in the

[Sir Homi Mody.]

field of armaments production, while I do not feel myself at liberty to give exact figures, I can give some indication of the real situation. We are, for instance, today manufacturing millions of rounds of ammunition. We are manufacturing perhaps 25 times the number of shells which we did before the war. We have ordnance factories which are engaged on production which is giving employment to several times the number of people who were engaged in them before the war. My Honourable friend referred to the Roger Mission and the Chatfield Commission. All I can say is that of the 30 or more projects which were recommended by those two Commissions all but two have been launched, and many of them have been actually completed. They have involved an enormous outlay of expenditure which has been largely borne by His Majesty's Government.

In the matter of civil production the performance has been even more striking. I am not going to detain the House with instances of what we have been able to do, but I think I ought to give the House an opportunity of appreciating the magnitude of the task that confronts us. Take, for instance, the case of timber, which forms so large a part in the equipment of motor vehicles, huttings, bridges and so many other things. As against a pre-war use by the army of something like seven to eight thousand tons of timber in this country, this year we are going to be asked to produce a million tons. When you consider this figure of a million tons and relate it to the pre-war effort you are bound to appreciate that a great deal of planning would be required in order to achieve these figures. Take the case of leather manufactures. We are going to produce something like ten million pairs of shoes and army boots, as against a pre-war output of a few thousands. Take the case of textiles. This year our requirements of cotton textiles alone are in the neighbourhood of 700 million yards. The fact that the Supply Department has been able to meet all these demands upon its resources shows first of all that the structure of the Department is sound, and secondly, that the industrial resources of the country are being fully exploited. When you take into consideration the fact that we are now making demands upon Indian industry and Indian production to the tune of something like Rs. 20 crores every month, it will be easily understood that India is putting its right foot forward in the prosecution of the war. How has this been achieved? It will be foolish to say that it has been achieved simply because the Supply Department is a well integrated department with its various sides, the purchase, the planning, the supply all very carefully thought out. It would be foolish to assume that it is the work of merely one Department of Government. The results have been achieved largely because the Government in the task of prosecuting this war. Taking the cotton textile industry—and I am now confining myself to the terms of the Resolution, which asks me to associate industrialists and labour leaders more closely with the Department—my Honourable friend must know that very recently an arrangement was arrived at by which the industry promised not only to meet the existing requirements of Government for this year, which as I have pointed out are as much as 700 million yards, but have also agreed to supply on a fixed price basis the requirements of the Department for the duration of the war. Considering that only a little while ago great difficulties were experienced in obtaining from the textile industry the requirements of the army, the progress that has been made through the co-operation of the industry must be regarded as something which is of credit both to the Department and to the industry. The jute industry works through an organization of its own and we have not the slightest difficulty in placing all our requirements on that industry. The

woollen industry is one hundred per cent. out on war work, and surely no more than one hundred per cent. can be expected out of any industry, whether you obtain it by way of co-operation or by way of compulsion. The engineering industry works through a panel, and it has produced a great many articles which were never produced before in this country; its resources are fully at the disposal of the Government. With regard to many other industries, while it may be that there is no control exercised over them, frequent meetings are held with the representatives of those industries and in that way contact is established and maintained. I want to ask my Honourable friend in what other way would he like the association of industry with the Department to be. Then on the top of all that, there are advisory committees attached to the various Departments. There is the Advisory Committee of leading industrialists attached to the Director General of Munitions Production Department at lists attached to the Director General of Munitions Production Department at Calcutta and these are advisory committees in Bombay, Madras, Lahore and other places. Sir, I think I am right in maintaining that if it is necessary to associate industry with the war effort, that that has been achieved with a great measure of success in this country and nothing more requires to be done. As regards labour, it is not my province, but I want to know what exactly is meant by associating labour leaders with the activities of the Supply Department. The best that one can get out of labour is not by inviting a few labour leaders to a conference, but by giving labour a square deal and by having a contented labour force to work in the factories. My Honourable friend has referred to ship-building. He knows very well that there was no ship-building in this country at the outbreak of the war, but I am sure he will be glad to know that since September, 1939 our ship-building yards have produced or are producing something like 300 small ships. They are mostly lifeboats, minesweepers, tugs, trawlers and the like. Reference has been made to the American Mission. I am sorry that industrialists in this country should view the appointment of this Mission with such a measure of suspicion. The Mission is a recognition on the part of the United States of the part that India plays in the war effort. It is a practical recognition of the fact that a great deal more can be done by India than has been possible in the past; America is trying to help this country to see if it cannot produce some of those things which only American equipment and technical personnel can help the country to produce. I venture to think that there is not the slightest justification for any degree of suspicion to attach itself to the establishment of this Mission. I for one am looking forward to its coming out to this country and its association with India's war effort. I expect nothing but good to emerge from it, and as for any threat to industrial interests here, all I can say is that surely even in the much despised Government of India there are some people who may be expected and trusted to look after Indian interests. I do not think that I have anything more to say. It would be foolish of me to say that I am a hundred per cent. satisfied with India's war effort. But at least I am satisfied to this extent that everything possible is being done with the comparatively limited resources which India has, and that, by and large, even with such limitations, India has nothing to fear by way of comparison with Australia, Canada or any other Dominion.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan): Mr. President, I should like to give my support to the Resolution that has been moved by my Honourable friend Mr. Kalikar. As my Honourable friend the Supply Member proceeded, I wondered how he of all people could be satisfied with the progress that has been made in India either in respect of the growth of industries or in respect of the production of munitions. What he said in the first part of his speech

[Pandit Hirday Nath Kunzru.]

created the impression that he thought that nothing more was required to be done. In fact I think he said that so far as the growth of industries was concerned, everything that was possible had been done and that nothing more was required to be done. It was therefore a great relief to me to learn from him at the end of his speech that he too was not satisfied with the way things were going on and that he feels that something more has to be done. I hope, Sir, that the note on which he ended is more indicative of his spirit and outlook than the remarks which he made during the course of the speech.

Sir, I should like in dealing with this Resolution to point out briefly how deficient we are in respect of heavy industries and what is the progress that other countries in the Empire have made since the war broke out in regard to the production of the essentials of war. So far as this country is concerned I am sure nobody will dispute our deficiency with regard to heavy engineering industries and such things as ship-building, manufacture of aeroplanes, automobile construction, and so on. This is not a thing certainly that my Honourable friend Sir Homi Mody will deny. Why is it, Sir, that we are not in a position yet to have these industries in our own country? If one studies the industrial history of this country, one would find that the remark made by my Honourable friend Mr. Kalikar which excited the Commerce Secretary so much is perfectly true. The charge that Government have stood in the way of the industrialisation of this country is one of the commonplaces of political and economic discussion here, and if my Honourable friend the Commerce Secretary is not acquainted with it —

THE HONOURABLE SIR ALAN LLOYD : I was referring to the charge made in connection with the automobile industry.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I have mentioned the automobile industry myself. It is one of those industries in regard to which the charge mentioned by my Honourable friend Mr. Kalikar can well be brought against Government.

THE HONOURABLE SIR ALAN LLOYD : I have already said that it cannot be brought against this Government in the case of that particular industry.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What the Honourable Member means by saying "against this Government" I find it somewhat difficult to understand. Perhaps he is thinking of himself and Sir Ramaswami Mudaliar. But my Honourable friend Mr. Kalikar was not speaking of these two individuals. He was dealing with the subject from a much wider standpoint and I am sure that even the Commerce Secretary with his indubitable partiality for the existing Government, will admit that the Government of India's policy in regard to the industrialisation of the country is in painful contrast to the policy followed in regard to the same matter in other and freer countries, for instance, Japan, Australia and Canada.

Now, Sir, my Honourable friend went so far as to call Mr. Kalikar's
1 P.M. remark poisonous and directed personally against Sir Ramaswami Mudaliar. He did not have the slightest justification for suspecting my Honourable friend of making a personal attack on Sir Ramaswami Mudaliar. I do not think there was anything

in his speech to show that he doubted the honesty of purpose of Sir Ramaswami Mudaliar. He was speaking generally of the Government of India and there is no doubt that public opinion in the country, generally speaking, has condemned the Government of India for not helping actively in the establishment of the automobile industry and the expansion of ship-building to a much greater extent than has so far taken place. In order to drive the point home I would refer, Sir, to a statement made by the Honourable the Commerce Secretary himself in this House in regard to ship-building last year. I think he said, and I believe the Commerce Member also has said, that it is very difficult to expand the ship-building industry as it will require 18 months from the time the construction of a shipyard is taken in hand to turn out a ship and for this reason either my Honourable friend opposite himself or Sir Ramaswami Mudaliar stated here that shipbuilding could not be regarded by the Government of India as a part of the war effort. Now this discussion took place in this House about a year ago. Had the Government of India taken a more adequate view of their responsibilities than they did we would have been much nearer the aim that we have in view than we are today. Almost every country as soon as the war began planned its production on the basis that it would last for several years. The Government of India alone thought perhaps that it would come to an end very soon and that such an industry as the ship-building industry, which required 18 months from its inception to turn out the finished product, should not, therefore, be encouraged more than it had already been. Can anything show more eloquently the unwillingness of the Government of India or their inability to move forward in accordance with the times?

Take again, Sir, the question of the manufacture of munitions, to which my Honourable friend the Supply Member referred so eloquently. He talked of the greater production of shells and certain other things but he omitted to refer to the production of rifles. We are getting recruits at the rate of 50,000 a month but we are unable to provide rifles even for the people whom we have already trained. Is not this a scandalous state of things? And what is this due to? It is in part, I feel, due to the failure of the Government of India to carry out the recommendations of the Roger Commission much earlier. The Finance Member told us the other day that twenty projects recommended by this Commission were now being given effect to. It has taken the Secretary of State for India and the Government of India acting in consultation 12 months to decide on the projects which were recommended by the Roger Commission. Does not this again show that the Government of India are still under the influence of old ideas and do not yet realise the pace at which things are moving and the vigour with which they must act if they mean to do anything adequate for the safety of this country?

THE HONOURABLE SIR HOMI MODY : May I just point out to my Honourable friend that so far as the Government of India is concerned they made up their minds about the recommendations of the Roger Mission within a week or two of the receipt of their Report and submitted their recommendations by cable to His Majesty's Government?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I was, therefore, careful to say, Sir, that the Government of India and the Secretary of State for India, acting in consultation with one another, took about a year to approve of some of the urgent recommendations of the Roger Commission. Even so, it is understood that some of the most important recommendations have not been carried out yet. We are asked today, Sir, to leave Defence again entirely in the hands of His Majesty's Government. I am surprised, Sir,

[Pandit Hirday Nath Kunzru.]

that anybody forgetting the record of this Government in regard to the protection of this country from outside aggression should have the audacity to ask us to continue to trust it in so vital a matter as Defence and to leave everything connected with it entirely in its hands.

I can give other illustrations, Sir, to point out the truth of the simple remark made by Mr. Kalikar which my Honourable friend the Commerce Secretary found so unpalatable, but it is needless to do so. I should, however, like to draw his attention to a quotation made in the course of a speech delivered recently by the new President of the Federation of the Indian Chambers of Commerce and Industry regarding the attitude of one of the Members of the Roger Commission about the industrial development of this country. He quoted, Sir, an article contributed to a British paper or magazine by one of Sir Alexander Roger's colleagues, which assured the British public that he had taken care that no such industries were started in India at the present time which would interfere with the post-war industrial reconstruction and rehabilitation of England. I should have thought, Sir, that it was that quotation which would make my Honourable friend opposite indignant and not the absolutely true remark made by my Honourable friend Mr. Kalikar.

Sir, my Honourable friend Sir Homi Mody has said more than once that he is not dissatisfied with the progress that this country has made in respect of the production of articles of war and that he feels that it is not behind any other country in this matter. I shall read out to him, Sir, in this connection some of the remarks made by the Chairman of the Australian Steel Works, The Brokenhill Proprietary Limited, in a speech delivered at the Company's Annual General Meeting on the 29th August, 1941, in which he said :—

" Industry in Australia was not equipped for the manufacture of guns and other war-like material. Employees had to learn and learn quickly in the space of two years. Australia from possessing virtually no capacity for the production of munitions has been turned into a veritable arsenal "

Apart from this, Sir, we have learnt from the articles contributed to various papers in this country by the Australian representative on the Eastern Group Supply Council that Australia has made a great deal of progress in recent years in respect of those vital industries to which I have drawn the attention of the House. I know, Sir, that a statement appeared in one of the papers which appeared to to be inspired or semi-inspired making out that the progress in Australia had not been as rapid as people in this country supposed. That statement was replied to, by the Australian whom I have already referred to and I trust that the reply that was given will prevent any member of this House from thinking that the progress that Australia has made regarding the industries of which I have spoken has not been of a substantial character.

THE HONOURABLE THE PRESIDENT : Your time is up.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : You referred, Sir, to the recommendations of the Fiscal Commission. I am sure, Sir, you cannot be unaware of the fact that the recommendations of the Commission have not given full satisfaction—

THE HONOURABLE THE PRESIDENT : That may be, but the Honourable Member said that the Fiscal Commission had their own axe to grind. The only axe to grind they had was the good of India and nothing else.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I should be the last person to throw any aspersions on the majority report of the Fiscal Commission. But I think it is necessary to point out that the majority recommendations of that Commission have not given full satisfaction either to Indian business-men or to Indian public men and economists. If I am not far wrong, I believe my Honourable friend Sir Homi Mody is one of those Indian industrialists who have not been satisfied with the recommendations of the Fiscal Commission. I, at any rate, Sir, am not, and in order to illustrate what I mean I shall refer only to one recommendation of the Commission. That recommendation relates to the sufficiency of the raw materials required in this country before any industry can be started—

THE HONOURABLE THE PRESIDENT : You forget that that Report was written 22 years ago.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I remember that, Sir, and I hope that its defenders too will remember this fact which they are not always inclined to do. That Report is an old report. Government should not, therefore, swear by it. They should recognise that the time has come for departing from its recommendations. My Honourable friend Sir Ramaswami Mudaliar said last year or the year before last that the Government had in view certain modifications of policy which would give satisfaction to the country. But while assurances have been given to certain industries which have been established at the instance of Government that they will not be allowed to languish after the war, I am not aware that any wide departure has been made from the proposals of the Fiscal Commission.

Sir, I do not want to prolong this debate further. I should only like to point out that the proposal which my Honourable friend Mr. Kalikar has made deserves the support of Government. After all, what has he asked for ? He only wishes that the Government of India should formulate a plan bearing in mind the deficiencies that exist in this country and should take steps to execute it as rapidly and vigorously as possible. What is the best way now of achieving this ? It is found that in other countries, for instance, in America and England, conferences with business-men and with the workers have been useful in expanding production and in making the interests realise the vital necessity of producing essential goods in larger quantities in the interests of the safety of the countries concerned. We hope that the same policy will be followed in this country. I do not think, in spite of what my Honourable friend Sir Homi Mody said with regard to the establishment of certain Advisory Committees and other Committees, that any comprehensive step of the kind such as that suggested by my Honourable friend Mr. Kalikar has been taken by Government up to the present time. Nobody doubts the sincerity of my Honourable friend Sir Homi Mody. The example he gave of complete co-operation between the textile industry and the Government is a very pertinent one—

THE HONOURABLE THE PRESIDENT : You have already exceeded your time by six minutes.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : But I am sure he will recognise equally with all of us that the same cannot be said of other industries. Indeed, his concluding remarks show that he too feels that something more has to be done and the best way of achieving the purpose that he has in view is to accept the Resolution moved by the Honourable Mr. Kalikar.

THE HONOURABLE MR. V. V. KALIKAR : Sir, I think my Honourable friend Sir Alan Lloyd has misunderstood the whole of my speech. I am constrained to make these remarks because he said that I attributed motives to the Commerce Member or to the Commerce Secretary. Nothing has been farther from my mind than to attribute motives to any individual of the Government. I challenge my Honourable friend who has been with me here for so many years to show any sentence in any of those speeches that I have made on the floor of this House where I have attributed motives to any Member or Secretary of the Government. My attack is always on the system of the Government and not on the individuals who form the Government. I say, Sir,—and I repeat it,—that this Government is an agent of a foreign Government and they have to carry out the policy dictated by that foreign Government, and therefore I challenge the system of the Government and not any particular individual of the Government. I yield to none in my respect to Sir Ramaswami Mudaliar and in spite of the shouting and exhibition of bad temper on the part of my Honourable friend I have got the same respect for him. But shouting and showing of bad temper won't substantiate your case. You have failed and failed very miserably. If you want to prove your case by shouting that won't do. Sir, we on this side of the House do our duty and give suggestions to the Government knowing full well that we are not in a position to bring pressure on the Government to modify their policy according to our needs. But as elected representatives of the people it is our duty to give suggestions to them and if they do not follow and modify their policies according to the needs of the time it is also our duty to register our protest against them. Therefore we make moves in that direction by moving resolutions and making suggestions so that our war effort should be on a par with the war effort made in other Dominions.

Sir, my Honourable friend Pandit Kunzru has already referred to Mr. Locock's statement about foreign vested interests. I do not think I need cover that point. It has been told us that so many advisory committees are there, conferences were held, conferences are being held. I understand that a conference is being held of the Directors of Industries of the various Provinces for producing articles on the basis of cottage industries. I had also stated at another time on the floor of this House that if we could not get sufficient rifles from the big factories then we should start the manufacture of rifles on a very small basis such as we have in some parts of India, I mean on a cottage industry basis. It is no use telling us that we have done so many things, that we are manufacturing hair brushes and tooth brushes and hair pins. We know all that, and for that purpose I quoted Sir Muhammad Zafrulla's statement in the very beginning. I want to know what have you done so far as heavy industries are concerned, so far as strategic industries are concerned? You have completely failed to give a fillip to the efficient development of strategic industries in this country. I may bring to the notice of my Honourable friend the statement made by Vice-Admiral Sir Herbert FitzHerbert. He said, "I wanted a big ship-building industry in India. Now, thank goodness, we have got one yard started. I have had a great fight for it." That was a statement made by your own officer. He was asked the question, "With whom?" He said, "Fighting, let us say, with general lack of enterprise and lack of courage, although both are present in India if approached from the right angle. Government have not been as enthusiastic as they might have been." I do not want to put the testimony of any other man to substantiate my conclusions than the testimony of this gentleman. It is not Indian industrialists who charge you with having failed in your duty; it is your own men, the Army, Navy and Air Force men, who say that the policy that has been followed by the Government of India up till now has completely failed to give a fillip to the

manufacture of heavy articles. It is not within our power to force our decision on the Government. We know that. But it is our duty to bring home to the Government that they have failed during the last two and a half years completely. But better late than never. The enemy is at your very door; he has entered it; and it is time now for you to brush aside any instructions that may come to you from Whitehall and take into consideration the interests of India and not subordinate those interests so far as defence requirements are concerned.

Sir, I am very sorry that my Honourable friend said that he is not in a position to accept the Resolution. Particularly in respect of labour, I wanted the labour leaders to be associated for the very purpose which my Honourable friend has in view, namely, the contentment of labour for expediting and expanding of manufacture of war materials. Labour ought to be kept contented. We had strikes in Madras, resulting in firing and shooting. Unless you take labour leaders and the industrial community into your confidence you will not be able to improve the situation. I am very sorry to hear from my Honourable friend that a modest Resolution like this is not going to be accepted by the Government. However, I hope that I shall get support from this part of the House and this side will have the satisfaction that it is bringing matters to the notice of the Government, but the Government is so obdurate, so obstructionist, that it won't listen to the suggestions made by this side of the House.

THE HONOURABLE SIR HOMI MODY : Sir, my Honourable friend Pandit Kunzru referred to a statement I made at the end of my speech to the effect that I was not one hundred per cent satisfied with the war effort of this country. All that I intended to convey was that if more equipment was available and more technical personnel, India could certainly do a great deal more, and the efforts of the Government of India have for a long time been directed towards trying to obtain from the United States and the United Kingdom the equipment which is required if India is to produce new types of munitions.

THE HONOURABLE MR. V. V. KALIKAR : But you are not getting that equipment on account of shipping difficulties.

THE HONOURABLE SIR HOMI MODY : We are not getting that equipment not merely on account of shipping difficulties, which are there, but also because of the fact that other countries are also engaged in a life and death struggle, and they want their own equipment, and it is all a question of where the equipment is most required.

My Honourable friend said also that I had taken up a certain attitude with regard to the Fiscal Commission which indicated that I was not satisfied with what it had accomplished. The position that I have taken up with regard to the Fiscal Commission's Report for several years now has been that the time had arrived, on account of the greatly altered circumstances of the country, when the machinery should be made more flexible. But I have always maintained that the Fiscal Commission by its well considered report had rendered a very great service to the country.

My Honourable friend the mover of the Resolution expressed his disappointment that I was not accepting this Resolution. Well, I am not turning down this Resolution out of any false sense of prestige or out of any obduracy. I am not accepting the Resolution for the very good and sufficient reason that I am satisfied that the closest possible contact exists between Government and industrialists in this country; and it is because of that close association that I fail to see how a mere conference of labour leaders and industrialists gathered

[31ST MARCH, 1942]

[Sir Homi Mody.]

round a table for a few hours could hope to accomplish what the day-to-day contact which we have established with industry in this country has failed to accomplish. It is for that reason and that reason alone that I am not in a position to accept this Resolution.

THE HONOURABLE THE PRESIDENT: Resolution moved:—

"This Council recommends to the Governor General in Council to take immediate steps to convene a conference of industrial and labour leaders to expand and expedite the manufacture of war materials in India and to secure such machinery as may not be available in India for this purpose from abroad."

Question put and Motion negatived.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the Bill further to amend the Motor Vehicles Act, 1939, which has been passed by the Legislative Assembly at its meeting held today.

STATEMENT OF BUSINESS.

THE HONOURABLE MALIK SIR FIROZ KHAN NOON (Leader of the House): Sir, I suggest that, with your permission, we meet again on Thursday, the 2nd April, to consider and pass the Bill laid on the table today.

THE HONOURABLE THE PRESIDENT: It will be necessary to suspend the operation of the Standing Orders. I do not think there is any objection on the part of Honourable Members. (No objection was raised.) I will suspend the Standing Orders. The Council will now adjourn.

The Council then adjourned till Eleven of the Clock on Thursday, the 2nd April, 1942.

COUNCIL OF STATE

Thursday, 2nd April, 1942.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

CHAIRMANSHIP OF THE KARACHI PORT TRUST.

187. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) How long have Europeans been Chairmen of the Karachi Port Trust?

(b) Is the Office of Chairman of the Karachi Port Trust vacant or about to fall vacant? If so, when do Government propose to appoint a Chairman? Do Government propose to appoint an Indian as Chairman?

THE HONOURABLE MR. C. M. TRIVEDI: (a) There have been four full-time Chairmen since 1909. Before that date the post was held by the Collector of Karachi, *ex-officio*. All were Europeans.

(b) The office was vacated by Colonel D. S. Johnston on the 1st April, 1942 when he proceeded on leave preparatory to retirement. Mr. W. E. Bushby has been appointed in his place. No suitable Indian with the administrative and technical experience required at the present time was available.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What were the efforts made by the Government of India to secure a suitable Indian?

THE HONOURABLE MR. C. M. TRIVEDI: The question was examined from every point of view and it was felt that at the present time, as I have said in the answer, no suitable Indian with the administrative and technical experience required was available.

THE HONOURABLE MR. HOSSAIN IMAM: What are the technical qualifications required for this post, Sir?

THE HONOURABLE MR. C. M. TRIVEDI: The technical qualifications required are engineering qualifications. Mr. Bushby is, or rather was, a Superintending Engineer before his appointment to the Port Trust.

THE HONOURABLE MR. P. N. SAPRU: Is it the suggestion of the Honourable the Communications Secretary that no Indian with engineering qualifications of a superior character was available?

THE HONOURABLE MR. C. M. TRIVEDI: I have said that no suitable Indian with the administrative and technical experience required at the present time was available.

THE HONOURABLE MR. P. N. SAPRU: My question is a different one.

THE HONOURABLE THE PRESIDENT: He has already answered it.

THE HONOURABLE MR. M. N. DALAL: Is there not a convention in Bombay that the Chairman of the Port Trust will be an Indian and a European alternately?

THE HONOURABLE MR. C. M. TRIVEDI: I am not aware of this, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Does the Honourable Member suggest that it is necessary for the Chairman of a Port Trust to be an Engineer?

THE HONOURABLE MR. C. M. TRIVEDI: At the present time, yes, Sir, when there are a number of matters at Karachi requiring technical knowledge.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is that so in respect of Karachi only or in respect of all Port Trusts?

THE HONOURABLE MR. C. M. TRIVEDI: More especially in the case of Karachi, Sir, at the present time in view of the war developments.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What are the considerations which make it more necessary to have an Engineer in Karachi than in Bombay?

THE HONOURABLE MR. C. M. TRIVEDI: Well, Sir, I am not in a position to go into details but all that I can say is that at the present juncture there are many technical demands on the Karachi Port which render it absolutely essential that the Chairman of the Port Trust should have in addition to other qualifications engineering qualifications.

THE HONOURABLE MR. P. N. SAPRU: Are there no technical demands on the Bombay Port Trust?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Has the Karachi Port Trust an Engineer or not?

THE HONOURABLE MR. C. M. TRIVEDI: It has, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Then why is it necessary for the Chairman to be an Engineer when the Chairman of the Bombay Port Trust can be a non-Engineer?

THE HONOURABLE MR. C. M. TRIVEDI: Well, Sir, the Engineering staff of the Karachi Port Trust has been depleted by the deputation of one Engineer on military service.

THE HONOURABLE MR. HOSSAIN IMAM: Was that Engineer a Superintending Engineer or an Executive Engineer? What was his position?

THE HONOURABLE MR. C. M. TRIVEDI: I think, Sir, speaking from memory, that he was a Deputy Chief Engineer.

NUMBER OF EMERGENCY COMMISSIONED OFFICERS IN THE INDIAN ARMY WHO COME FROM THE DOMINIONS, ETC.

188. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) What is the total number of emergency commissioned officers in the Indian Army who belong to the British Dominions and Colonies?

(b) Will Government state the number of such officers belonging to each Dominion and Colony?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: As regards (a) the answer is 68.

As regards (b) the answer is—

Australia.	9
New Zealand	30
Rhodesia.	29

THE HONOURABLE MR. P. N. SAPRU: Is it permissible for an Indian to hold commissions in the Australian Army, in the Rhodesian Army or in the New Zealand Army?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: As far as I am aware, Sir, no.

THE HONOURABLE MR. P. N. SAPRU: Then is it contemplated that in war time the Anglo-Saxon race shall control the army and not only the British race?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: No, Sir, it is not contemplated, but in our scarcity of officers we have to get officers from everywhere we know.

THE HONOURABLE MR. P. N. SAPRU: Is there any scarcity of officers in Rhodesia, New Zealand or Australia?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: I do not know, Sir; I cannot tell you.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Is it true that the Government of India asked for the services of some Australian officers and that these officers were appointed after they resigned their commissions in the Australian Army or after they were allowed by the Australian Government to join the Indian Army?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: I am afraid I cannot answer that in respect of this particular nine.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Does the Honourable Member mean that there are other Australian officers besides the nine referred to by him in his reply to my question?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: There are, as the Honourable Member knows, several Australians who came into the army

before September, 1939 and as regards the emergency commissioned officers the number is nine as far as Australia is concerned, and I am not aware exactly how they were obtained.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will the Honourable Member tell us what was the number of the Australian officers in the Indian Army before the system of granting emergency commissions was begun?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: I shall require notice of that question, Sir.

THE HONOURABLE MR. HOSSAIN IMAM: Were they recruited as 2nd Lieutenants or as higher officers in the army, these nine?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: As far as I know in the rank of 2nd Lieutenants.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will this system stop now or not?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: That I am not able to answer.

THE HONOURABLE MR. P. N. SAPRU: What is the use of your answering or not answering?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: I said I am not able to answer.

THE HONOURABLE THE PRESIDENT: The Honourable Member is quite at liberty to say that he is not able to answer this question. It is no use shouting like this. Order, order.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: He should be in a position to assure us that these things will not be repeated. This question was raised once before in the House too and a very unsatisfactory answer was given.

THE HONOURABLE MR. HOSSAIN IMAM: May we know, Sir, whether these nine have been recruited in 1939-40 or in 1940-41?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: They have been recruited since 1939.

THE HONOURABLE MR. HOSSAIN IMAM: When was the last man recruited?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: I am afraid I cannot tell you that.

TRANSFER OF LASCARS AND CARPENTERS OF THE INDIAN CORPS OF ENGINEERS TO CALCUTTA.

189. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) Were some men belonging to No. 2 Technical Training Group of the Indian Corps of Engineers who were mostly lascars and carpenters transferred to Calcutta?

(b) Is it a fact that they had no money with them and that they were not provided with food the day they started?

(c) Did they report to their officer that they had had no meal and were unable to purchase food for themselves for want of money? Is it true that no attention was paid to their representation?

(d) If the facts are as stated above will Government state what action they propose to take in the matter?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: The information is being collected and will be laid on the table in due course.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Will the Honourable Member also send me a copy of the information when he gets it?

THE HONOURABLE GENERAL SIR ALAN HARTLEY: Yes.

SILVER STOCKS.

190. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What was the stock of silver in ounces and of coins in the possession of the Government of India on February 28th, 1942.

THE HONOURABLE MR. C. E. JONES: Information regarding the surplus silver stock of the Government of India is compiled so as to show the position at the end of each financial year. The last published accounts are those given in the Central Appropriation Accounts (Civil) for 1939-40, but the accounts for the next year are expected to be published shortly.

THE HONOURABLE MR. HOSSAIN IMAM: Will the Honourable Member state if the policy of sale of silver is still continuing or if it has been stopped?

THE HONOURABLE MR. C. E. JONES: The Honourable Member is aware that on occasions we have to enter the silver market. I am not prepared to say what we have done in the recent past.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Can the Honourable Member give an approximate idea of the stock of silver now with the Government of India?

THE HONOURABLE MR. C. E. JONES: As I have stated, it is the accepted policy of Government not to give any indication either of their recent transactions or of their current stocks of silver.

THE HONOURABLE MR. HOSSAIN IMAM: Is it a fact that the Honourable the Finance Member has stated in his speech that Rs. 12 crores worth of silver has been sold in the current financial year?

(No answer.)

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): Sir, I lay on the table a copy of the Declaration of Exemption under section 6 of the Registration of Foreigners Act, 1939, as published with the notification of the Government of India in the Home Department No. 1/11/42-Political (E), dated the 26th, March, 1942.

Declaration of Exemption.

No. 1/11/42-Political (E), dated the 26th March, 1942.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8, shall not apply to, or in relation to, Mrs. Doris W. Jepson, an official attached to the Headquarters, United States of America Tenth Air Force, Delhi.

V. SHANKAR,

Deputy Secretary to the Government of India.

MOTOR VEHICLES (AMENDMENT) BILL.

THE HONOURABLE MR. C. M. TRIVEDI (Communications Secretary)
Sir, I move:—

"That the Bill further to amend the Motor Vehicles Act, 1939, as passed by the Legislative Assembly, be taken into consideration."

The Bill although it runs to as many as 24 clauses is a simple measure. It is perhaps hardly necessary to deal with every clause of the Bill as the Statement of Objects and Reasons and Notes on Clauses furnish the necessary explanation, but it may be of some use to the Honourable Members of this House if I touch briefly on the more important clauses.

The amendments fall into three classes. Experience of the working of the Act, during about the last two years, has disclosed certain defects. The first in the Act for the hearing of appeals, but not for the levy of any fees on appeals though certain Provinces already levy fees under the Court Fees Acts. Clauses 6, 12 and 16 remedy the omission. Honourable Members will notice that the licensing of drivers, is not to exceed Rs. 2. This change was made by the Select Committee in the other House. The clauses also empower the Provincial Government to make rules for the refund of fees wholly or in part where such a course appears to be justified. Further the clauses make provision for giving power by rule to Provincial Governments to exempt certain persons or classes of persons from the payment of fees under the Act. Lack of provision for delegation of power by Transport Authorities has caused much inconvenience. There is a certain amount of business of a routine nature, the discharge of which might well be delegated. Moreover, in the case of temporary permits the provisions of section 62 (2) are not sufficient as a region sometimes comprises several districts, e.g., in the whole of the Central Provinces there are only two regional authorities, and an urgent need for a temporary permit may arise at some place far from the headquarters of the Regional Transport Authority. Clause 13 therefore empowers the Provincial Transport Authority

(528)

and the Regional Transport Authority, if authorised by rules under section 68, to delegate its powers and functions to such authority or person and subject to such restrictions, limitations and conditions as may be prescribed by rules. Clause (w) of sub-section (2) of section 68 has been found to be not comprehensive since the "touting" abuse is not confined to stage carriages but is known to extend to services of motor cabs. This clause does not also provide for cases where no ticket is tendered for sale. Clause 16 (c) of the Bill remedies the defect. The present Act contains no provision for stopping the plying of vehicles without registration or of transport vehicles without a permit from plying and thus continuing their offence. Provincial Governments have reported cases in which transport vehicles were found plying from one region to another without authorisation. Clause 20 therefore provides for the grant of power for authorised officers to detain vehicles so as to prevent their being used without being registered or without a permit or in violation of certain conditions of the permit. Honourable Members will notice that the Select Committee in the other House has restricted the power of the authorised police officer to detain vehicles only in cases where he has reason to believe that a motor vehicle has been or is being used without a certificate or registration of a valid permit. Under the present Act, the powers with which police officers have been invested cannot be exercised by officers of other departments of the Provincial Government. One Province at least contemplates the setting up of a Motor Vehicles Department for the purpose of administering the Act. Obviously officers of the Motor Vehicles Department should have the powers entrusted to police officers by the Act. Clause 21 provides for this. Clause 24 is somewhat technical. Under entry No. (2) in the Eighth Schedule a delivery van is subjected to a speed limit of 15 miles per hour. A "delivery van" does not exceed 5,000 lbs. in laden weight and it is not necessary that it should be restricted to any speed limit other than those locally in force in the area in which it is used. Clause 24 provides accordingly. The Select Committee in the other House has also increased the speed limit from 15 to 20 miles per hour in the case of goods vehicles if all the wheels are fitted with pneumatic tyres and the registered laden weight of the vehicle does not exceed 17,000 lbs. avoirdupois and the vehicle is not drawing a trailer. This finishes the first set of the important amendments.

The second set of amendments are more or less of a formal character and I need not detain the House with them. They are contained in clauses 8 (b), 17 and 19. The third set of amendments provides for the repeal of transitional provisions which have been rendered obsolete. Clauses 2, 3, 4 (a) (i), 4 (b), 7, 8 (a), 9, 10 and 22 are of this character.

Sir, I move.

The Motion was adopted.

Clauses 2 to 24 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. C. M. TRIVEDI: Sir, I move:—

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

NOTICE OF MOTION FOR ADJOURNMENT *RE* AUSTRALIANS ETC. IN THE INDIAN ARMY.

THE HONOURABLE THE PRESIDENT: Honourable Members, I have just got a notice of a Motion for Adjournment signed by three Honourable Members, the Honourable Mr. Hossain Imam, the Honourable Mr. P. N. Sapru and the Honourable Pandit Kunzru. This Adjournment Motion refers to the statement given today by the Deputy Commander-in-Chief regarding the employment of Australians, New Zealanders and Rhodesians as emergency commissioned officers in the Indian Army. I would draw the attention of Honourable Members to clause (2) of rule 11 of the Rules framed under the Government of India Act. Clause (2) says:—

"Notice of a Motion under sub-paragraph (1) shall be given before the commencement of the sitting on the day on which the Motion is proposed to be made both to the President and the Member of Government to whose department the Motion relates".

I am sorry, therefore, I cannot allow the Motion.

THE HONOURABLE MR. P. N. SAPRU: Before you give your final ruling, Sir, may I point out one consideration. The answer was given by the Deputy Commander-in-Chief today, and immediately he gave the answer I started writing in consultation with my friend the Honourable Mr. Hossain Imam, and therefore notice could not be given earlier.

THE HONOURABLE THE PRESIDENT: I am afraid I cannot go beyond the exact wording of the rule. I have no power to do it.

The Council then adjourned *sine die*.

Index to the Council of State Debates

Volume I, 1942.

A
ABDOOL SUTTAR, HON. MR. ABDOOL RAZAK
—
Motion of the — to the Standing Committee for Roads, 1942-43. 321.
Motion of the — to the Standing Committee for the Department of Communications. 322.
Question re call for volunteers from State Railways for the Mechanical Transport Service. 350-51.
ACQUISITION—
Question re — of land and buildings in Dehra Dun, etc. 487.
ACT—
Government of India —
Question re rules made under section 241 of the —. 91.
Income-tax —, 1922—
Question re number of cases in which penalty under the —, were imposed in the Bihar and Orissa Circle and revenue derived therefrom. 282.
Indian Arms—
Question re relaxation of the operation of —. 487-88.
AMEN—
See "INDIANS".
ADVERTISEMENT—
Question re — for a lady stenographer by Headquarters, Eastern Command. 242.
AEROPLANES—
Question re manufacture of —. 141-42.
ATRAAY—
Question re — at the British Hotel, Calcutta. 64-65.
AFRIDIS—
Question re enlistment of — in the Indian Army. 52-54.
AGRICULTURAL PRODUCE (GRADING AND MARKING) AMENMENT BILL—
See "—" under "Bill".
AIR COMMANDO—
Information (laid on the table) re ill-treatment of certain persons on the occasion of the visit of the — to Pietermaritzburg. 32.
AIRCRAFT FACTORY—
See "HINDUSTAN —".
AIR RAID PRECAUTIONS—
Question re allocation of expenditure on — between the Centre and the Provinces. 136.
AMER-MERWARA MOTOR VEHICLES RULES, 1940—
Statement (laid on the table) re amendments to the Delhi, British Baluchistan, Coorg and —. 13-14.
ALCOHOL—
See "Power —".
ALIGARH MUSLIM UNIVERSITY (AMENDMENT) BILL—
See "—" under "Bill".

AMERICAN TECHNICAL MISSION—
Question re —. 489-90.
ANEY, HON. MR. M. S.—
Indian Finance Bill—
Motion to consider. 418, 422-26.
ANJUMAN TARRAQI-I-URDU—
Resolution re supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the —. 250-57.
ANNUAL REVIEW—
Question re — by Income-tax Commissioners of promotions held up by efficiency bar. 90-91.
ANTI-AIRCRAFT TRAINING CENTRES—
Question re number of Indians and Europeans undergoing training at —, etc. 299.
ANTI-FASCIST MEETINGS—
Question re banning of — and meetings organised by local Soviet Aid Committees. 300.
APPEAL(S)—
Question re—
Number of — disposed of by the Income-tax Tribunal for Orissa. 281.
Number of — from Orissa recalled to Patna by the Special Income-tax Circle. 281.
Submission by Commissioners of Income-tax of — withheld by them. 69.
See "RIGHT OF —".
APPOINTMENTS—
Information (laid on the table) re policy followed by the E. I. R. in filling — in schools. 30.
ARMS ACT—
See "Indian —" under "ACT".
ARMY—
See "INDIAN —".
ARREST—
Question re — and detention of Mr. Sarat Chandra Bose. 86-87, 143.
ARTILLERY—
See "INDIAN —".
ASHRAF, KHAN SAHIB S. A.—
Question re —, Assistant Director Supply Department. 492.
ASKURAN, HON. MR. SHANTIDAS—
Congratulations to the — on his Knighthood. 34.
General Discussion of the General Budget. 197, 200-03, 204, 214, 231.
General Discussion of the Railway Budget. 102-03.
Question re number of income-tax assessments pending on 31st December, 1941. 54-55.
Question (supplementary) re—
Automobile assembly plant in Sind. 244.
War risks insurance schemes. 55-56.
Resolution re an Indian Defence Member 150-52.

ASSAM—
See "CENSUS".
See "TRIBESMEN".

ASSAULT—
Question re — by British soldiers on labourers in Cawnpore Cantonment. 65.

ASSESSOR(S)—
Question re—
Harassment caused to — of Orissa. 281.
Taxation of an — in the Cuttack Circle. 283.

ASSESSMENTS—
See "INCOME-TAX".

AUDIT AND ACCOUNTS SERVICE EXAMINATION—
See "INDIAN".

AUSTRALIANS—
Notice of Motion for Adjournment re —, etc., in the Indian Army. 530.
Question re number of — commissioned in the Indian Army. 142.

AUSTRALIAN TROOPS—
Question re number of — in India. 247.

AUTOMOBILE ASSEMBLY PLANT—
Question re — in Sind. 241, 243-45, 245.

B

BALLABHDAS ESHWARDAS—
Question re —, catering contractor, N. W. R. and E. I. R. 57, 58, 59, 60, 61, 88-89.

BALUCHISTAN—
See "SULPHUR".

BENARES HINDU UNIVERSITY—
Question re military training at —. 55.

BERLIN—
See "Indian News".

BEWOOR, HON. SIR GURUNATH
Cantonments (Amendment) Bill—
Motion to consider. 447-48, 450, 452-53.
Motion to pass. 454.
Indian Tolls (Army) Amendment Bill—
Motion to consider. 437.
Motion to pass. 437.
Oath of Office. 385.
Resolution re—
Appointment of Indians in the Indian Corps of Engineers, etc. 443-44, 445.
Inquiry into proprietary rights of land-owners in cantonments, etc. 470, 474, 475-77, 478, 479, 480, 481-82.

BHAGALPUR—
See "HINDU MAHASABHA".

BHONSIA MILITARY SCHOOL, NASIK—
Question re rifles for the —. 300.

BIHAR—
See "MILITARY TRAINING".

BIHAR AND ORISSA CIRCLE—
See "INCOME-TAX CIRCLE".
See "REVENUE".
See "INCOME-TAX OFFICERS".

BILL—
Agricultural Produce (Grading and Marking) Amendment Bill —
Passed by the Legislative Assembly. 347.
Considered and passed. 437.
Aligarh Muslim University (Amendment) —
Assent of the Governor General. 34.
Cantonments (Amendment) —
Passed by the Legislative Assembly. 347.
Considered and passed. 447-54.
Code of Criminal Procedure (Amendment) —
Assent of the Governor General. 34.

Code of Criminal Procedure (Amendment) —
Passed by the Legislative Assembly. 439.

Code of Criminal Procedure (Second Amendment) —
Assent of the Governor General. 34.
Coffee Market Expansion —
Passed by the Legislative Assembly. 35.
Considered and passed. 83-84.
Cotton Ginning, and Pressing Factories (Amendment) —
Passed by the Legislative Assembly. 144-45.
Considered and passed. 287-88.

Delhi Muslim Wakfs—
Resolution by the Legislative Assembly recommending that the — be referred to a Joint Committee of the Assembly and Council. 406.
Acceptance by the Council of the above Resolution. 439.
Nomination of members of the Council to the Joint Committee. 439-40.

Excess Profits Tax (Second Amendment) —
Assent of the Governor General. 35.

Factories (Amendment) —
Assent of the Governor General. 34.

Federal Court —
Assent of the Governor General. 34.
Federal Court (Supplemental Powers) —
Passed by the Legislative Assembly. 439.

Indian Boilers (Amendment) —
Passed by the Legislative Assembly. 35.
Considered and passed. 82.

Indian Companies (Amendment) —
Assent of the Governor General. 35.

Indian Companies (Amendment) —
Introduced. 176.
Motion to consider. 257-58.
Consideration of clause 2. 258.
Consideration of clause 3. 258.
Motion to pass. 259.
Passed, as amended. 259.
Amendments made by the Council agreed to by the Assembly. 439.

Indian Finance —, 1942—
Passed by the Legislative Assembly. 347.
Motion to consider. 353-84, 385-432.
Motion to pass. 433-36.
Passed. 436.

Indian Income-tax (Amendment) —
Assent of the Governor General. 34.

Indian Limitation (Amendment) —
Amendments made by the Council agreed to by the Assembly. 439.

Indian Medical Council (Amendment) —
Passed by the Legislative Assembly. 35.
Considered and passed. 80-81.

Indian Merchant Shipping (Amendment) —
Assent of the Governor General. 34.

Indian Merchant Shipping (Amendment) —
Passed by the Legislative Assembly. 35.
Considered and passed. 79.

Indian Patents and Designs (Extension of Time) —
Passed by the Legislative Assembly. 144-45.
Considered and passed. 288.

Indian Penal Code (Amendment) —
Passed by the Legislative Assembly. 70.
Considered and passed. 286-87.

Indian Tolls (Army) Amendment —
Passed by the Legislative Assembly. 347.
Considered and passed. 437.

Industrial Statistics —
Passed by the Legislative Assembly. 483.
Considered and passed. 503-06.

Indus Vessels (Amendment) —
Passed by the Legislative Assembly. 35.
Considered and passed. 79-80.

Madras Port Trust (Amendment) —
Assent of the Governor General. 34.

Mines Maternity Benefit —
Assent of the Governor General. 34.

Motor Vehicles (Amendment) —
Passed by the Legislative Assembly. 522.
Considered and passed. 529.

Multi-unit Co-operative Societies —
Passed by the Legislative Assembly. 35.
Considered and passed. 83.

Muslim Personal Law (Shariat) Application —
Passed by the Legislative Assembly. 439.

Professions Tax Limitation —
Assent of the Governor General. 34.

Protective Duties Continuation, —
Passed by the Legislative Assembly. 249.
Considered and passed. 288-93.

Railways (Local Authorities Taxation) —
Assent of the Governor General. 35.

Trade Marks (Amendment) —
Assent of the Governor General. 35.

Weekly Holidays —
Passed by the Legislative Assembly. 483.
Considered and passed. 502-03.

Workmen's Compensation (Amendment) —
Passed by the Legislative Assembly. 35.
Considered and passed. 78-79.

BOILERS (AMENDMENT) BILL—
See "Indian" under "BILL".

BOMBAY—
See "DISTURBANCES".
See "TROOPS".

BOMBS—
Question re types of — dropped by the Japanese. 143.

BOSE, MR. SARAT CHANDRA—
Question re arrest and detention of —. 86-87, 143.

BOZMAN, HON. MR. G. S.—
Indian Finance Bill—
Motion to consider. 417-21.
Motion for Adjournment re evacuees from Burma. 285, 332, 335, 337, 340-44.
Motion for election of four non-official members to serve on the Standing Committee on Emigration. 71, 75-78.
Oath of Office. 295.

BRISTOL HOTEL, CALCUTTA—
Question re affray at the —. 64-65.

BRITISH BALUCHISTAN MOTOR VEHICLES RULES 1940—
Statement (laid on the table) re amendments to the Delhi, Coorg, Ajmer-Merwara and —. 12-13.

BRITISH CURRENCY—
Question re —, etc., in Japanese occupied territories. 275.
— in territories occupied by Japan. 247.

BRITISH MILITARY POLICY—
Question re statement by the Raja of Sarawak on — in Malaya. 65-66.

BRITISH SOLDIERS—
Question re assault by — on labourers in Cawnpore, Cantonment. 65.

BRITISH SUBJECTS—
Question re — in enemy occupied territories in the Far East. 93-94.

BRITISH TROOPS—
Question re—
Number of Dominion Troops and — serving in various theatres of war. 246.
Strength of — in India. 141.

BRITISH WAR CABINET—
Question re representation of India in the —. 95.

BROADCAST—
Question re — of Indian news from Berlin before publication in newspapers in India. 88.

BROADCASTING STATION, PATNA—
Question re establishment of a —. 85.

BUDGET—
See "GENERAL".
See "RAILWAY".

BUILDINGS—
Question re acquisition of land and — in Dehra Dun, etc. 487.

BULLITT, MR. WILLIAM—
Question re —. 273, 295.

BURMA—
See "EVACUEES".
See "INDIANS".
See "TAXES".

BUSINESS, STATEMENT OF—
— by the Hon. the Leader of the House. 45, 269, 293, 329, 522.

C

CALCUTTA—
See "WAR".

CALCUTTA CUSTOMS HOUSE—
Question re area of recruitment assigned to the —. 495-96.

CANTONMENTS—
Resolution re inquiry into proprietary rights of land-owners in —, etc. 469-82.

CANTONMENTS (AMENDMENT) BILL—
See "—" under "BILL".

CARPENTERS—
Question re transfer of lascars and — of the Indian Corps of Engineers to Calcutta. 527.

CASUALTIES—
Question re number of — among Indian troops in Malaya. 248.

CATERING—
Question re—
Procedure of enquiry into complaints in respect of — on railways. 62-63.
Report on — on the N. W. R. by the Local Advisory Committee. 61.

CANPPORE CANTONMENT—
See "ASSAULT".

CENSUS—
Question re—
— figures of tribesmen of Assam. 51.
Correctness of the — figures in Assam. 50-51.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS—
Motion for election. 285.
Election of members. 321.

CENTRAL COMMITTEE OF THE TUBERCULOSIS ASSOCIATION OF INDIA—
Motion for election. 353.
Election of one member. 502.

CENTRAL LEGISLATURE—

Question re number of quarters built for members of the —. 487.

CENTRAL SERVICES—

Question re rights of members of the — vis-a-vis the Secretary of State's Officers in the matter of securing redress of grievances. 91-92.

CENTRAL SERVICES, CLASS II—

Question re rules regulating the conduct of members of the —. 67.

CEYLON—

See "FOODSTUFFS".

CHAIRMEN, PANEL OF—

Message from His Excellency the Governor General nominating the —. 33.

CHANG KAI-SHEK, THEIR EXCELLENCIES

GENERALISSIMO AND MADAME—
Resolution re visit of —. 1-5.

CHARANJIT SINGH, HON. RAJA—

Nomination of the — as Chairman of the Committee on Petitions. 33.

CHINA NATIONAL AVIATION CORPORATION—

Question re —. 350.

CHINYO, HON. SIR RAHIMTOOLA—

Election of the — to the Standing Committee for the Department of Supply. 321.

CIVIL DEFENCE DEPARTMENT—

Resolution re Standing Committee for the —. 311-16.

CIVIL DEFENCE DEPARTMENT, STANDING COMMITTEE FOR THE—

Motion for election. 353.
Election of members. 501.

CLOTH—

See "STANDARD —".

CLOW, HON. SIR ANDREW—

General Discussion of the Railway Budget. 99, 107, 108, 109, 121, 24-34.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL—

See "—" under "BILL".

CODE OF CRIMINAL PROCEDURE. (SECOND AMENDMENT) BILL—

See "—" under "BILL".

COFFEE MARKET EXPANSION BILL—

See "—" under "BILL".

COINAGE—

Question re Governments for whom — orders were executed. 349.

COMMANDER-IN-CHIEF, HIS EXCELLENCY THE—

Oath of Office. 1, 483.
Resolution re—

Disposal of horses unfit for military service. 249-50.

Formation of a Home Guard. 266-67, 268.
Welcome to —. 5-6.

COMMERCE DEPARTMENT, STANDING COMMITTEE FOR THE—

Motion for election. 286.
Election of members. 321.

COMMERCIAL TREATIES AND NOTES—

Statement (laid on the table) re — affecting India. 352.

COMMISSIONERS OF INCOME-TAX—

Question re—

Delegation of power to — to impose penalties on Income-tax Officers. 68-69.

Right of appeal by Income-tax Officers against orders passed by the —. 69.

Submission by — of appeals withheld by them. 69.

COMMITTEE ON PETITIONS—

Constitution of the —. 33.

COMMUNICATION DEPARTMENT, STANDING COMMITTEE FOR THE—

Motion for election. 286.

Election of members. 322.

COMPANIES (AMENDMENT) BILL—

See "Indian —" under "BILL".

COMPLAINTS—

Question re procedure of enquiry into — in respect of catering on railways. 62-63.

CONGRATULATIONS—

— to recipients of Honours. 34.

CONRAN-SMITH, HON. MR. E.—

Congratulations to the — on his C. S. I. 34.

Indian Finance Bill—

Motion to consider. 398-99.

CONTEMPT OF COURT—

Resolution re examination of the law of —. 454-69.

CONTRIBUTIONS—

Question re — made by Provinces, etc., in aid of the war. 137-38, 138.

COORG MOTOR VEHICLES RULES, 1940—

Statement (laid on the table) re amendments to the Delhi, British Baluchistan Ajmer-Merwara and —. 14-29, 195.

CORPS OF ENGINEERS—

See "INDIAN —".

COTTON CULTIVATORS—

Question re relief to —. 96-97, 144.

COTTON GINNING AND PRESSING FACTORIES (AMENDMENT) BILL—

See "—" under "BILL".

CULTIVATORS—

See "COTTON —".

CURRENCY—

See "BRITISH —".

CURRENCY NOTE PRESS—

Question re Governments for whom orders were executed by the —. 350.

CUTTACK CIRCLE—

See "TAXATION".

D

DALAL, HON. MR. M. N.—

Election of the — to the Central Committee of the Tuberculosis Association of India. 502.

Election of the — to the Standing Committee for the Department of Supply. 321.

General Discussion of the General Budget. 211-13.

General Discussion of the Railway Budget. 103-06.

Indian Companies (Amendment) Bill—

Motion to consider. 258.

Consideration of clause 2. 258.

Consideration of clause 3. 258.

Indian Finance Bill—

Motion to consider. 364-65, 400.

Motion for adjournment re evacuees from Burma. 334.

Question re—

British currency, etc., in Japanese occupied territories. 275.

British subjects in enemy occupied territories in the Far East. 93-94.

Contributions made by Provinces, etc., in aid of the war. 137-38, 138.

Indian troops. 95.

Manufacture of standard cloth. 95-96.

Mr. William Bullitt. 295.

Relief to cotton cultivators. 96-97.

Representation of India in the British War Cabinet. 95.

Representation of India on the Pacific War Council. 94.

Restriction on the purchase of Straits Dollar Notes. 92-93.

Statement by the Raja of Sarawak on British military policy in Malaya. 65-66.

Supply Department. 56-57.

War risks insurance schemes. 55-56.

War Transport Board. 56.

Question (supplementary) re—
Chairmanship of the Karachi Port Trust. 523-24.

Hindustan Aircraft Factory. 49.

Resolution re—

An Indian Defence Member. 155-56.

Eastern Group Supply Council. 316-17, 320.

Visit of Their Excellencies Generalissimo and Madame Chang Kai-Shek. 3.

DAS, HON. MR. N. K.—

Election of the — to the Standing Committee for the Department of Communications. 322.

Indian Finance Bill—

Motion to consider. 385-86.

Question re—

Area of recruitment assigned to the Calcutta Customs House. 495-96.

Creation of a new Income-tax Circle in Bihar and Orissa. 282.

Discharge of two Income-tax Officers in the Bihar and Orissa Circle. 282-83.

Effect of the rationing of petrol on transport services. 494-95, 495.

Harassment caused to assesses of Orissa. 281.

Income-tax officers in the Bihar and Orissa Circle. 493.

Indian prisoners of war. 497.

Leases for the manufacture of salt. 493-94.

Number of appeals disposed of by the Income-tax Tribunal for Orissa. 281.

Number of appeals from Orissa recalled to Patna by the Special Income-tax Circle. 281.

Number of cases in which deposits in personal accounts were assessed as undisclosed profits and revenue derived therefrom in the Bihar and Orissa Circle. 282.

Number of cases in which penalty under the Income-tax Act, 1922, were imposed in the Bihar and Orissa Circle and revenue derived therefrom. 282.

Photographs and films of operations of war. 496.

Racial discrimination in evacuation arrangements from Hong Kong. 497.

Sending of soldiers, who are under 20 years of age, overseas. 497.

Setting up of evacuation and reception areas. 497.

Taxation of an assessee in the Cuttack Circle. 283.

Visit of the Excess Profits Appellate Assistant Commissioner. 282.

Question (supplementary) re Ballabhdas Eshwardas, catering contractor, N. W. R. and E. I. R. 59, 61.

Resolution re an Indian Defence Member. 173.

DEATH—
Expressions of regret in connection with the — of Sir Akbar Hydari. 35-38.

DECLARATIONS—
Statement (laid on the table) re further amendments in the — published with the Home Department notification No. 21/32/39-Political, dated the 21st June. 1939. 11.

DECLARATIONS AND ORDERS OF EXEMPTION—
Statement (laid on the table) re — under section 6 of the Registration of Foreigners Act, 1939. 9-11, 195, 351, 528.

DEFENCE ADVISORY COMMITTEE—
Question re — and Indian troops. 140.

DEFENCE MEMBER—
See "INDIAN —".

DEFENCE OF INDIA—
Question re — against invasion. 141.

DEHRA DUN—
See "ACQUISITION".

DELHI—
See "TEAR SMOKE".

DELHI MOTOR VEHICLES RULES, 1940—
Statement (laid on the table) re amendments to the Coorg, British Baluchistan, Ajmer-Merwara and —. 12, 29.

DELHI MUSLIM WAKFS BILL—
See "—" under "BILL".

DEPARTMENT OF CIVIL DEFENCE, STANDING COMMITTEE FOR THE—
Motion for election. 353.
Election of members. 501.

DEPARTMENT OF COMMERCE, STANDING COMMITTEE FOR THE—
Motion for election. 286.
Election of members. 321.

DEPARTMENT OF COMMUNICATIONS, STANDING COMMITTEE FOR THE—
Motion for election. 286.
Election of members. 322.

DEPARTMENT OF LABOUR, STANDING COMMITTEE FOR THE—
Motion for election. 353.
Election of members. 501.

DEPARTMENT OF SUPPLY, STANDING COMMITTEE FOR THE—
Motion for election. 286.
Election of members. 321.

DEPOSITS—
Question re number of cases in which — in personal accounts were assessed as undisclosed profits and revenue derived therefrom in the Bihar and Orissa Circle. 282.

DEVADOSS, HON. SIR DAVID—
Cantonments (Amendment) Bill—
Motion to consider. 450.
Election of the — to the Central Advisory Council for Railways. 321.
Election of the — to the Standing Committee on Emigration. 97.

Indian Finance Bill—
Motion to consider. 355-57, 394, 399, 412, 413.
Motion for Adjournment re evacuees from Burma. 337.
Nomination of the — to the Panel of Chairman. 33.

- Question re—**
Employment of women in public services by the Madras Government. 276.
Employment of women in the Judicial Department of the Madras Government. 276.
Issue of directions to Provincial Governments in the matter of employment of women in public services. 276.
Resolution re examination of the law of Contempt of Court. 456.
- DISCHARGE—**
Question re — of two Income-tax Officers in the Bihar and Orissa Circle. 282-83.
- DISCOURTESY—**
Question re — shown to Mr. G. S. Khare while attempting to enter a first class compartment. 498-99.
- DISCRIMINATION—**
See "RACIAL —".
- DISTURBANCES—**
Question re — caused in Bombay by sailors and soldiers. 247.
- DOMINIONS—**
Question re number of emergency commissioned officers in the Indian Army who come from the —, etc., 525-26.
- DOMINION TROOPS—**
Question re number of — and British Troops serving in various theatres of war. 246.

E

- EAST INDIAN RAILWAY—**
See "—" under "RAILWAY(S)".
- EASTERN GROUP SUPPLY COUNCIL—**
Resolution re —. 316-20.
- EDUCATIONAL INSTITUTIONS—**
Question re military training in — in Bihar. 49-50.
- EFFICIENCY BAR—**
Question re annual review by Income-tax Commissioners of promotions held up by —. 90-91.
- EMERGENCY COMMISSIONED OFFICERS—**
Question re number of — in the Indian Army who come from the Dominions, etc. 525-26.
- EMIGRATION—**
Statement (laid on the table) re amendments in notification prohibiting the — of unskilled labourers from British India to Burma. 69.
- EMIGRATION, STANDING COMMITTEE ON—**
Motion for election. 71-78.
Election of members. 97.
- EMPIRE WAR CABINET—**
Question re representation of India on the —. 87-88, 136.
- ENEMY OCCUPIED TERRITORIES—**
Question re British subjects in — in the Far East. 93-94.
- ENLISTMENT—**
Question re — of Afridis in the Indian Army. 52-54.
- ENQUIRY—**
Question re procedure of — into complaints in respect of catering on railways. 62-63.
- EQUIPMENT—**
See "HEAVY —".

- EUROPEANS—**
Question re—
Number of Indians and — in the Higher War School. 299.
Number of Indians and — undergoing training as parachutists. 299.
Number of Indians and — undergoing training at Anti-aircraft Training Centres, etc. 299.
- EVACUATION—**
Question re—
Arrangements made in connection with — of Indians from Malaya. 248.
Racial discrimination in — arrangements from Hong Kong. 497.
Racial discrimination in — arrangements from Penang. 248-49, 298.
Racial discrimination in — arrangements in and from Malaya. 490-91.
Setting up of — and reception areas. 497.
- EVACUEES—**
Motion for Adjournment re — from Burma. 283-85, 329-45.
- EXCESS PROFITS APPELLATE ASSISTANT COMMISSIONER—**
Question re visit of the —. 282.
- EXCESS PROFITS TAX—**
Question re revenue derived from the —. 143-44.
- EXCESS PROFITS TAX (SECOND AMENDMENT) BILL—**
See "—" under "BILL".
- EXPENDITURE—**
Question re allocation of — on air raid precautions between the Centre and the Provinces. 136.
- EXTENSION(S) OF SERVICE—**
Question re—
— granted to railway officers. 278-81.
— to the General Manager, E. I. R. 89.

F

- FACTORIES (AMENDMENT) BILL—**
See "—" under "BILL".
- FACTORY—**
See "HINDUSTAN AIRCRAFT —".
- FAQIR-JO-GOTH INCIDENT—**
Question re —. 63-64.
- FAR EAST—**
See "ENEMY OCCUPIED TERRITORIES".
See "INDIANS".
- FEDERAL COURT BILL—**
See "—" under "BILL".
- FEDERAL COURT (SUPPLEMENTAL POWERS) BILL—**
See "—" under "BILL".
- FIGHTING VEHICLES SCHOOL, AHMEDNAGAR—**
Question re proportion of Indian officers under training at the —. 297-98.
- FILMS—**
Question re photographs and — of operations of war. 496.
- FINANCE BILL, 1942—**
See "INDIAN —".
- FIREARMS—**
Question re number of Indians licensed to hold —. 144.
- FIROZ KHAN NOON, THE HON. MALIK SIR—**
General Discussion of the General Budget. 221, 222, 225-26.
Resolution re—
An Indian Defence Member. 154.
Disposal of horses unfit for military use. 250.

- Formation of a Home Guard. 264, 265, 266.
Visit of Their Excellencies Generalissimo and Madame Chang Kai-Shek. 1-2.
- FLYING CLUBS—**
Resolution re subsidies to —. 301-11.
- FODDER—**
Question re steps taken to increase the production of foodgrains and of —. 488.
- FOODGRAINS—**
Question re steps taken to increase the production of — and of fodder. 488.
- FOODSTUFFS—**
Question re supply of — to Ceylon. 490.

G

- GARHWAL—**
See "INDIAN TRADERS".
- GENERAL BUDGET—**
General discussion of the — for 1942-43, 196-239.
Message from His Excellency the Governor General appointing days for the presentation and general discussion of the —. 33.
Presentation of the — for 1942-43. 179-93.
- GENERALISSIMO AND MADAME CHANG KAI-SHEK—**
Resolution re visit of Their Excellencies —. 1-5.
- GENERAL MANAGER, E. I. R.—**
Question re extension of service to the —. 89.
- GOVERNMENT OF INDIA ACT—**
See "—" under "ACT".
- GOVERNMENT RECORDS—**
Question re safe custody of —. 247.
- GOVERNMENT SERVANTS—**
Question re procedure for the imposition of penalties on —. 68.
- GVERNOR GENERAL, HIS EXCELLENCY THE—**
Message from — appointing days for the presentation and general discussion of the General Budget. 32-33.
Message from — appointing days for the presentation and general discussion of the Railway Budget. 33.
Message from — directing that the heads of expenditure specified in sub-section (3) of section 67A of the Government of India Act shall be open to discussion when the Budget is under consideration. 33.
Message from — nominating the Panel of Chairmen. 33.
- GRAIN SHOPS—**
Question re opening of cheap —. 144.

H

- HARASSMENT—**
Question re — caused to assessee of Orissa. 281.
- HARTLEY, GENERAL SIR ALAN—**
Indian Finance Bill—
Motion to consider. 401-03.
Oath of office. 349.
Resolution re appointment of Indians in the Indian Corps of Engineers, etc. 440, 446, 447.
- HEADQUARTERS, EASTERN COMMAND—**
See "Lady Stenographer".

- HEAVY EQUIPMENT—**
Question re supply of — from His Majesty's Government. 299-300.
- HIGHER WAR SCHOOL—**
Question re number of Indians and Europeans in the —. 299.
- HINDI AND URDU BOOKS—**
Resolution re supply of — to the Hindi Sahitya Sammelan and the Anjuman Tarraki-Urdu. 250-57.
- HINDI SAHITYA SAMMELAN—**
Resolution re supply of Hindi and Urdu books to the — and the Anjuman Tarraki-Urdu. 250-57.
- HINDU MAHASABHA—**
Question re session of the — at Bhagalpur. 88.
- HINDUSTAN AIRCRAFT FACTORY—**
Question re —. 49.
- HIS MAJESTY'S GOVERNMENT—**
Question re supply of heavy equipment from —. 299-300.
- HISSAMUDDIN BAHADUR, HON. LT.-COL. SIR—**
Election of the — to the Central Advisory Council for Railways. 321.
General Discussion of the General Budget. 219-20.
Resolution re and Indian Defence Member. 154-55.
- HOME GUARD—**
Resolution re formation of a —. 250-68.
- HONG KONG—**
See "INDIANS".
See "RACIAL DISCRIMINATION".
- HONOURS—**
Congratulations to recipients of —. 34.
- HORSES—**
Resolution re disposal of — unfit for military service. 249-50.
- HOSSAIN IMAM, HON. MR.—**
Cantonments (Amendment) Bill—
Motion to consider. 449-50, 452, 453.
General Discussion of the General Budget. 199, 226-33, 236, 239.
General Discussion of the Railway Budget. 101, 106-10.
- Indian Finance Bill—**
Motion to consider. 403-15.
- Industrial Statistics Bill—**
Motion to consider. 504-05.
- Motion for election of four non-official members to serve on the Standing Committee on Emigration. 742.**
- Protective Duties Continuation Bill—**
Motion to consider. 289-90.
Motion to pass. 292-93.
- Question re establishment of a Broadcasting Station, Patna. 85.**
- Question (supplementary) re—**
American Technical Mission. 469-90.
Area of recruitment assigned to the Calcutta Customs House. 495-96.
Assault by British soldiers on labourers in Cawnpore Cantonment. 65.
Automobile assembly plant in Sind. 244.
Ballabhdas Eshwardas, catering contractor, N. W. R. and E. I. R. 53, 59, 60, 61.
Chairmanship of the Karachi Port Trust. 523-24.
Delegation of power to Commissioners of Income-tax to impose penalties on Income-tax Officers. 68-69.
Discharge of two Income-tax Officers in the Bihar and Orissa Circle. 282-83.

Effect of the rationing of petrol on transport services. 494-95, 495.
 Enlistment of Afridis in the Indian Army. 52-54.
 Extensions of service granted to railway officers. 278-81.
 Harassment caused to assesses of Orissa. 281.
 Hindustan Aircraft Factory. 49.
 Indian Audit and Accounts Service Examination. 27-78.
 Indians in Hong Kong. 273-74.
 Indian traders in Garhwal, etc. 271-73.
 Leases for the manufacture of salt. 493-94.
 Length of railway lines dismantled for purposes of the war. 275.
 Manufacture of standard cloth. 95-96.
 Military training in educational institutions in Bihar. 49-50.
 Mr. William Bullitt. 273.
 Number of emergency commissioned officers in the Indian Army who come from the Dominions, etc. 525-26.
 Postponement of the collection of taxes on income that has accrued or arisen in Burma, etc. 493.
 Publicity Advisory Committee. 500-01.
 Rationing of supplies. 485-86.
 Relaxation of the operation of the Indian Arms Act. 487-88.
 Report on catering on the N. W. R. by the Local Advisory Committee. 61.
 Rules and Orders applicable to right of appeal by Income-tax Officers. 66, 67.
 Rules regulating the conduct of members of the Central Services, Class II. 67.
 Silver stocks. 527.
 Statement by the Raja of Sarawak on British Military policy in Malaya. 65-66.
 Steps taken to increase the production of foodgrains and fodder. 488.
 Supply Department. 56-57.
 Supply of foodstuffs to Ceylon. 490.
 Resolution re—
 Appointment of Indians in the Indian Corps of Engineers, etc. 441-42.
 Disposal of horses unfit for military service. 250.
 Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Taraqi-i-Urdu. 253, 254.
 Visit of their Excellencies Generalissimo and Madame Chang Kai-Shek. 3.
 HYDARI, SIR AKBAR—
 Expressions of regret in connection with the death of —. 35-38.

I

ILL-TREATMENT—
 Information (laid on the table) re — of certain persons on the occasion of the visit of the Air Commando to Pietermaritzburg. 32.
 IMMIGRATION—
 Question re — restrictions on the entry of Indians into Aden. 274-75.
 IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH—
 Statement (laid on the table) re amendment by the — to their Standing Finance Committee Regulations. 32.

INCOME-TAX—
 See "COMMISSIONERS OF —".
 INCOME-TAX ACT, 1922—
 See — under "ACT".
 INCOME-TAX (AMENDMENT) BILL—
 See "Indian —" under "BILL".
 INCOME-TAX ASSESSMENTS—
 Question re number of — pending on 31st December, 1941. 54-55.
 INCOME-TAX CIRCLE—
 Question re creation of a new — in Bihar and Orissa. 282.
 INCOME-TAX COMMISSIONERS—
 Question re annual review by — of promotions held up by efficiency bar. 90-91.
 INCOME-TAX OFFICERS—
 Question re—
 Delegation of power to Commissioners of Income-tax to impose penalties on —. 68-69.
 Discharge of two — in the Bihar and Orissa Circle. 282-83.
 — in the Bihar and Orissa Circle. 493.
 — in the United Provinces. 89, 90, 91, 92, 501.
 Right of appeal by — against orders passed by the Commissioners of Income-tax. 69.
 Rules and Orders applicable to right of appeal by —. 66, 67.
 INCOME-TAX TRIBUNAL—
 Question re number of appeals disposed of by the — for Orissa. 281.
 INDIAN(S)—
 Question re—
 Arrangements made in connection with evacuation of — from Malaya. 248.
 Immigration restrictions on the entry of — into Aden. 274-75.
 — in Burma. 274.
 — in Burma, Malaya and the Far East. 138-39.
 — in Hong Kong. 273-74.
 Number of — and Europeans in the Higher War School. 299.
 Number of — and Europeans undergoing training as parachutists. 299.
 Number of — and Europeans undergoing training at Anti-aircraft Training Centres, etc. 299.
 Number of — licensed to hold firearms. 144.
 Resolution re appointment of — in the Indian Corps of Engineers, etc. 322-29, 440-47.
 INDIAN ARMS ACT—
 See "—" under "ACT".
 INDIAN ARMY—
 Question re—
 Eligibility of Indian States subjects for recruitment to the —. 296.
 Enlistment of Afridis in the —. 52-54.
 Number of Australians commissioned in the —. 142.
 Number of emergency commissioned officers in the — who come from the Dominions, etc. 525-26.
 Numbers enlisted in the — since the outbreak of war. 142.

INDIAN ARTILLERY—
 Question re proportion of Indian officers in the —, etc. 297.
 INDIAN AUDIT AND ACCOUNTS SERVICE EXAMINATION—
 Question re —. 277-78.
 INDIAN BOILERS (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN COMPANIES (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN CORPS OF ENGINEERS—
 Question re transfer of lascars and carpenters of the — to Calcutta. 527.
 Resolution re appointment of Indians in the —, etc. 322-29, 440-47.
 INDIAN DEFENCE MEMBER—
 Resolution re an —. 145-76.
 INDIAN FINANCE BILL, 1942—
 See "—" under "BILL".
 INDIAN INCOME-TAX (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN LIMITATION (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN MEDICAL COUNCIL (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN MERCHANT SHIPPING (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN PATENTS AND DESIGNS (EXTENSION OF TIME) BILL—
 See "—" under "BILL".
 INDIAN PENAL CODE (AMENDMENT) BILL—
 See "—" under "BILL".
 INDIAN NEWS—
 Question re broadcast of — from Berlin before publication in newspapers in India. 88.
 INDIAN OFFICERS—
 Question re—
 Number of —. 140.
 Proportion of — in the Indian Artillery, etc. 297.
 Proportion of — under training at the Fighting Vehicles School, Ahmednagar. 297-98.
 INDIAN PRISONERS OF WAR—
 Question re —. 497.
 INDIAN SHIPPING—
 Question re post-war policy in regard to —. 51-52.
 INDIAN STATES SUBJECTS—
 Question re eligibility of — for recruitment to the Indian Army. 296.
 INDIAN TOLLS (ARMY) AMENDMENT BILL—
 See "—" under "BILL".
 INDIAN TRADERS—
 Question re Indian traders in Garhwal, etc. 271-73.
 INDIAN TROOPS—
 Question re—
 Defence Advisory Committee and —. 140.
 —. 6-9, 95.
 — at various fronts. 139.
 Number of casualties among — in Malaya. 248.
 Number of — in Malaya. 247-48.
 Number of — serving overseas. 245-46.
 Recall of — serving overseas. 243.
 Reluctance of — to serve overseas. 139.
 Strength of —. 140.

INDIAN VOLUNTEER UNIT—
 Question re formation of an — in Singapore. 298.
 INDO-NEPAL AERIAL ROPEWAY—
 Question re —. 137.
 INDUSTRIAL STATISTICS BILL—
 See "—" under "BILL".
 INDUS VESSELS (AMENDMENT) BILL—
 See "—" under "BILL".
 INFORMATION (LAID ON THE TABLE) re—
 Expenditure involved in the Simla exodus, 1941. 501.
 Ill-treatment of certain persons on the occasion of the visit of the Air Commando to Pietermaritzburg. 32.
 Improvement on yield of sugarcane as a result of introduction of improved varieties of cane. 70.
 Number of mechanical engineers in the Supply Department. 30-31.
 Policy followed by the E.I.R. in filling appointments in schools. 30.
 INQUIRY—
 Resolution re — into proprietary rights of land-owners in cantonments, etc. 469-82.
 INSURANCE RULES, 1939—
 Statement (laid on the table) re further amendments in the —. 31.
 INVASION—
 Question re defence of India against —. 141.
 ITALIAN PRISONERS OF WAR—
 Question re number of —. 492.

J

JAPAN—
 See "BRITISH CURRENCY".
 See "WAR".
 JAPANESE—
 See "BOMBS".
 JAPANESE OCCUPIED TERRITORIES—
 Question re British currency, etc., in Japanese occupied territories. 275.
 JAPANESE PROPAGANDA—
 Question re steps taken to counteract —. 242.
 JONES, HON. MR. C. E.—
 General Discussion of the General Budget. 204, 205, 206.
 Indian Finance Bill—
 Motion to consider. 353-55, 369, 370, 426-32.
 Motion to pass. 433.
 Presentation of the General Budget for 1942-43, 179-93.
 JUDICIAL DEPARTMENT—
 Question re employment of women in the — of the Madras Government. 276.

K

KALIKAR, HON. MR. V. V.—
 Election of the — to the Standing Committee on Emigration. 97.
 General Discussion of the Railway Budget. 112-15.
 Indian Finance Bill—
 Motion to consider. 365-69, 401.
 Motion for Adjournment re evacuees from Burma. 335-36.

Question re—
 Appointment of Indians in the Indian Corps of Engineers, etc. 326-27, 444.
 Automobile assembly plant in Sind. 243.
 Question (supplementary) re—
 American Technical Mission. 489-90.
 Ballabhdas Eshwardas, catering contractor. N. W. R and E. I. R. 57, 58.
 Resolution re—
 An Indian Defence Member. 169-71.
 Examination of the law of Contempt of Court. 464.
 Manufacture of war materials. 469.
 507-12, 520-21.
 KAMESHWAR SINGH OF DARBHANGA, HON. MAHARAJADHIRAJA SIR—
 Nomination of the — to the Panel of Chairmen. 33.
 KARACHI PORT TRUST—
 Question re chairmanship of the —. 523-24.
 KATOL—
 See "LOOTING".
 KHARE, MR. G. S.—
 Question re discourtesy shown to — while attempting to enter a first class compartment. 498-99.
 KUNZRU, HON. PANDIT HIRDAY NATH—
 Cantonments (Amendment) Bill—
 Motion to consider. 448-49.
 Election of the — to the Standing Committee on Emigration. 97.
 General Discussion of the General Budget. 203-11, 215, 222, 226.
 General Discussion of the Railway Budget. 109, 112, 115-19, 127, 133.
 Indian Finance Bill—
 Motion to consider. 369-78, 379, 382, 398, 402, 403, 418, 419, 420, 421.
 Motion for Adjournment re evacuees from Burma. 284, 332-34, 342, 343.
 Motion for election of four non-official members to serve on the Standing Committee on Emigration. 71-73.
 Nomination of the — as a member of the Committee on Petitions. 33.
 Protective Duties Continuation Bill—
 Motion to consider. 290-91.
 Motion to pass. 293.
 Question re—
 Appointment of Indians in the Indian Corps of Engineers, etc. 322-26, 441, 444-47.
 Arrangements made in connection with evacuation of Indians from Malaya. 248.
 Chairmanship of the Karachi Port Trust. 523-24.
 Discourtesy shown to Mr. G. S. Khare while attempting to enter a first class compartment. 498-99.
 Extensions of service granted to railway Officers. 278-81.
 Indian Audit and Accounts Service Examination. 277-78.
 Looting of oranges by soldiers at Katol. 497-98.
 Number of casualties among Indian troops in Malaya. 248.

Number of emergency commissioned officers in the Indian Army, who come from the Dominions, etc. 525-26.
 Number of Indian troops in Malaya. 247-48.
 Number of prisoners of war in India. 296.
 Proportion of Indian officers in the Indian Artillery, etc. 297.
 Proportion of Indian officers under training at the Fighting Vehicles School, Ahmednagar. 297-98.
 Publicity Advisory Committee. 500-01.
 Racial discrimination in evacuation arrangements from Penang. 248-49.
 Silver Stocks. 527.
 Transfer of lascars and carpenters of the Indian Corps of Engineers to Calcutta. 527.
 Question (supplementary) re—
 American Technical Mission. 489-90.
 Arrest and detention of Mr. Sarat Chandra Bose. 86-87.
 Automobile assembly plant in Sind. 241.
 Enlistment of Afridis in the Indian Army. 52-54.
 Hindustan Aircraft Factory. 49.
 Indian traders in Garhwal, etc. 271-73.
 Military training in educational institutions in Bihar. 49-50.
 Names of newspapers the export of which has been banned. 47-49.
 Number of Indians and Europeans in the —. 299.
 Rationing of supplies. 485-86.
 Resolution re—
 An Indian Defence Member. 145-50, 154, 159, 173-75.
 Eastern Group Supply Council. 319-320.
 Examination of the law of Contempt of Court. 454-61, 466, 468.
 Formation of a Home Guard. 259-63, 265, 266, 267-68.
 Inquiry into proprietary rights of land-owners in cantonments, etc. 472-75, 476-77, 477, 478, 482.
 Manufacture of war materials. 509, 515-19.
 Standing Committee for the Civil Defence Department. 312.
 Subsidies to flying clubs. 305-06, 309-10.
 Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 255-56.
 Visit of Their Excellencies Generalissimo and Madame Chang Kai-Shek. 2-3.

L

LABOUR DEPARTMENT, STANDING COMMITTEE FOR THE—
 Motion for election. 353.
 Election of members. 501.
 LABOURERS—
 Question re assault by British soldiers on — in Cawnpore Cantonment. 65.
 Statement (laid on the table) re amendments in notification prohibiting the emigration of unskilled — from British India to Burma. 69.

LADY STENOGRAPHERS—
 Question re advertisement for a — by Headquarters, Eastern Command. 242.
 LAL, HON. MR. SHAVAX A.—
 Indian Penal Code (Amendment) Bill—
 Motion to consider. 286-87.
 Motion to pass. 287.
 LAND—
 Question re acquisition of — and buildings in Dehra Dun, etc. 487.
 LAND-OWNERS—
 Resolution re inquiry into proprietary rights of — in cantonments, etc. 469-82.
 LASCARS—
 Question re transfer of — and carpenters of the Indian Corps of Engineers to Calcutta. 527.
 LAW OF CONTEMPT OF COURT—
 Resolution re examination of the —. 454-69.
 LEASE-LEND—
 Question re material received under — arrangements. 296.
 LEASERS—
 Question re — for the manufacture of salt. 493-94.
 LETTERS—
 Question re increase in postal rates on — and telegrams. 489.
 LIMITATION (AMENDMENT) BILL—
 See "INDIAN —" under "BILL".
 LLOYD, HON. SIR ALAN—
 Cotton Ginning and Pressing Factories (Amendment) Bill—
 Motion to consider. 287.
 Motion to pass. 288.
 Indian Companies (Amendment) Bill—
 Motion to consider. 258.
 Indian Finance Bill—
 Motion to consider. 410, 415-17.
 Industrial Statistics Bill—
 Motion to consider. 503-04, 505-06.
 Motion to pass. 506.
 Indian Patents and Designs (Extension of Time) Bill—
 Motion to consider. 288.
 Motion to pass. 288.
 Motion for election of two non-official members to the Standing Committee for the Department of Commerce. 286.
 Protective Duties Continuation Bill—
 Motion to consider. 288-89, 291-92.
 Motion to pass. 292.
 Resolution re manufacture of war materials. 508, 509, 512-13, 516.
 LOCAL ADVISORY COMMITTEE—
 Question re report on catering on the N. W. R. by the —. 61.
 LOCOMOTIVES—
 Question re—
 Despatch of —, wagons, etc., overseas. 488-89.
 Number of — and wagons sent out of India since the beginning of the war. 241.
 LOOTING—
 Question re — of oranges by soldiers at Katol. 497-98.

M

MADRAS GOVERNMENT—
 See "PUBLIC SERVICES".
 See "WOMEN".

MADRAS PORT TRUST (AMENDMENT) BILL—
 See "—" under "BILL".
 MAMTHA, HON. SRI NARAIN—
 Indian Finance Bill—
 Motion to consider. 360-64.
 Resolution re—
 Formation of a Home Guard. 263-64.
 Standing Committee for the Civil Defence Department. 314-16.
 MALAYA—
 See "BRITISH MILITARY POLICY".
 See "EVACUATION".
 See "INDIANS".
 See "INDIAN TROOPS".
 See "RACIAL DISCRIMINATION".
 MANDAPAM CAMPS—
 See "QUARANTINE RESTRICTIONS".
 MECHANICAL ENGINEERS—
 Information (laid on the table) re number of — in the Supply Department. 30-31.
 MECHANICAL TRANSPORT SERVICE—
 Question re call for volunteers from State Railways for the —. 350-51.
 MEDICAL COUNCIL (AMENDMENT) BILL—
 See "Indian —" under "BILL".
 MENON, HON. SRI RAMUNNI—
 Election of the — to the Standing Committee for the Labour Department. 501.
 Indian Finance Bill—
 Motion to consider. 357-60.
 Nomination of the — as a member of the Committee on Petitions. 33.
 Resolution re—
 An Indian Defence Member. 163-65, 169.
 Visit of Their Excellencies Generalissimo and Madame Chang Kai-Shek. 3-4.
 MERCHANT SHIPPING (AMENDMENT) BILL—
 See "Indian —" under "BILL".
 MESSAGE—
 — from His Excellency the Governor General appointing days for the presentation and general discussion of the General Budget. 32-33.
 — from His Excellency the Governor General appointing days for the presentation and general discussion of the Railway Budget. 33.
 — from His Excellency the Governor General directing that the heads of expenditure specified in sub-section (3) of section 67A of the Government of India Act shall be open to discussion when the Budget is under consideration. 33.
 — from His Excellency the Governor General nominating the Panel of Chairmen. 33.
 MILITARY POLICY—
 See "BRITISH —".
 MILITARY SCHOOL, NASIK—
 See "BHONSLA —".
 MILITARY TRAINING—
 Question re—
 — at Benares Hindu University. 55.
 — in educational institutions in Bihar. 49-50.
 MINES MATERNITY BENEFIT BILL—
 See "—" under "BILL".
 MINISTRY OF SUPPLY MISSION—
 Question re recommendations made by the —. 243.

MISCONDUCT—
Question re — of troops in Bombay. 488.
MITHA, HON. SIE SULEMAN CASSUM HAJI—
Election of the — to the Standing Committee for the Department of Commerce. 321.

MODY, HON. SIE HOMI—
Resolution re manufacture of war materials. 513-15, 517, 521-22.

MOTILAL, HON. MR. G. S.—
Question re—

British currency in territories occupied by Japan. 247.

Defence Advisory Committee and Indian troops. 140.

Defence of India against invasion. 141.

Disturbances caused in Bombay by sailors and soldiers. 247.

Indians in Burma, Malaya and the Far East. 138-39.

Indian troops at various fronts. 139.

Manufacture of aeroplanes. 141-42.

Material received under Lease-Lend arrangements. 236.

Number of Australians commissioned in the Indian Army. 142.

Number of Australian troops in India. 247.

Number of Dominion Troops and British Troops serving in various theatres of war. 246.

Number of Indian officers. 140.

Number of Indian troops serving overseas. 245-46.

Number of Indians licensed to hold firearms. 144.

Number of locomotives and wagons sent out of India since the beginning of the war. 241.

Number of people who have vacated Calcutta, etc., since the war with Japan. 241.

Numbers enlisted in the Indian Army since the outbreak of war. 142.

Oil supply. 271.

Opening of cheap grain shops. 144.

Power alcohol. 142.

Prisoners of war. 141.

Reluctance of Indian troops to serve overseas. 139.

Revenue derived from the Excess Profits Tax. 143-44.

Safe custody of Government records. 247.

Steps taken to counteract Japanese propaganda. 242.

Strength of British troops in India. 141.

Strength of Indian troops. 140.

Types of bombs dropped by the Japanese. 143.

War risk insurance of real and industrial properties. 143.

MOTION FOR ADJOURNMENT re—
— Australians, etc., in the Indian Army. 530.

Evacuees from Burma. 283-85, 300-01, 329-45.

MOTOR VEHICLES (AMENDMENT) BILL—
See "—" under "BILL".

MOVE—
Question re — of Government to Simla. 52, 136.

MUHAMMAD HUSSAIN, HON. HAJI SYED—
Election of the — to the Central Advisory Council for Railways. 321.

Election of the — to the Standing Committee for the Civil Defence Department. 501.

Election of the — to the Standing Committee for the Department of Commerce. 321.

General Discussion of the Railway Budget. 124-26.

Indian Finance Bill—

Motion to consider. 378-84, 420.

Motion for Adjournment re evacuees from Burma. 283, 284, 285, 329-32, 345.

Question re—

Annual review by Income-tax Commissioners of promotions held up by efficiency bar. 90-91.

Ballabhdas Eshwardas, catering contractor, N. W. R. and E. I. R. 57, 58, 59, 60, 61, 88-89.

Delegation of power to Commissioners of Income-tax to impose penalties on Income-tax Officers. 68-69.

Extension of service to the General Manager, E. I. R. 89.

Income-tax Officers in the United Provinces. 89, 90, 91, 92, 501.

Installation of a public telephone call office at the Post Office, Shahdara-Delhi. 89.

Procedure for the imposition of penalties on Government servants. 68.

Procedure of enquiry into complaints in respect of catering on railways. 62-63.

Report on catering on the N. W. R. by the Local Advisory Committee. 61.

Right of appeal by Income-tax Officers against Orders passed by the Commissioners of Income-tax. 69.

Rights of members of the Central Services vis-a-vis the Secretary of State's Officers in the matter of securing redress of grievances. 91-92.

Rules and Orders applicable to right of appeal by Income-tax Officers. 66, 67.

Rules made under section 241 of the Government of India Act. 91.

Rules regulating the conduct of members of the Central Services, Class II. 67.

Submission by Commissioners of Income-tax of appeals withheld by them. 69.

Terms for retired railway officers, etc., temporarily re-employed during the war. 62.

Question (supplementary) re—

Extensions of service granted to railway officers. 278-81.

Indian Defence Member. An —. 171.

Appointment of Indians in the Indian Corps of Engineers, etc. 442.

Disposal of horses unfit for military service. 249, 250.

Progress of the war. 176-77.

Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 253-54.

MUHAMMAD YAKUB, HON. SIE—
Motion for election of four non-official members to serve on the Standing Committee on Emigration. 74.

Nomination of the — to the Panel of Chairmen. 33.

Resolution re an Indian Defence Member. 156-59.

MULTI-UNIT CO-OPERATIVE SOCIETIES BILL—
See "—" under "BILL".

MUSLIM PERSONAL LAW (SHARIAT) APPLICATION (AMENDMENT) BILL—
See "—" under "BILL".

N

News—

See "INDIAN —".

NEWSPAPERS—

Question re—

Broadcast of Indian news from Berlin before publication in — in India. 88.

Names of — the export of which has been banned. 47-49.

NIHAL SINGH, HON. SIRDAR—
Election of the — to the Central Advisory Council for Railways. 321.

NORTH WESTERN RAILWAY—
See "—" under "RAILWAY(S)".

NOON, THE HON. MALIK SIE FIROZ KHAN—
Indian Finance Bill—

Motion to consider. 374, 394.

Motion for election of two non-official members to the Standing Committee for the Department of Labour. 353.

Weekly Holidays Bill—

Motion to consider. 502-03.

Motion to pass. 503.

O

OATH OF OFFICE—

Bewoor, Hon. Sir Gurunath. 385.

Bozman, Hon. Mr. G. S. 295.

Commander-in-Chief, His Excellency the 1, 483.

Hartley, Hon. General Sir Alan Fleming. 349.

Roy, Hon. Mr. S. N. 135.

Trivedi, Hon. Mr. C. M. 349.

Tyson, Hon. Mr. J. D. 1.

Wilson, Hon. Sir Leonard. 1.

OFFICERS—

See "INCOME-TAX —".

See "INDIAN —".

See "RAILWAY —".

See "SECRETARY OF STATE'S —".

OIL—

Question re — supply. 271.

OPERATIONS OF WAR—

Question re photographs and films of —. 496.

ORANGES—

Question re looting of — by soldiers at Katol. 497-98.

ORISSA—

See "APPEALS".

See "ASSESSMENT".

See "INCOME-TAX TRIBUNAL".

P

PACIFIC WAR COUNCIL—

Question re representation of India on the —. 94.

PADSHAH SAHIB BAHADUR, HON. SAIYID MOHAMED—
Election of the — to the Standing Committee for the Department of Communications. 322.

Election of the — to the Standing Committee on Emigration. 97.

Indian Finance Bill—

Motion to pass. 433-36.

Motion for Adjournment re evacuees from Burma. 338-40.

Motion for election of four non-official members to serve on the Standing Committee on Emigration. 73-74.

Resolution re—

An Indian Defence Member. 166-68, 174.

Examination of the law of Contempt of Court. 468.

Subsidies to flying clubs. 307-08.

PANEL OF CHAIRMEN—
Message from His Excellency the Governor General nominating the —. 33.

PARACHUTISTS—
Question re number of Indians and Europeans undergoing training as —. 299.

PARKER, HON. MR. R. H.—
Election of the — to the Standing Committee for Roads, 1942-43. 321.

General Discussion of the General Budget. 213-19, 222, 224, 231, 239.

General Discussion of the Railway Budget. 110-12.

Indian Companies (Amendment) Bill—

Motion to introduce. 176.

Motion to consider. 257.

Motion to pass. 259.

Indian Finance Bill—

Motion to consider. 399-401.

Resolution re—

An Indian Defence Member. 159-60, 162, 167.

Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 255.

Visit of Their Excellencies Generalissimo and Madame Chang Kai-Shek. 4.

PASSES—
See "RAILWAY —".

PATENTS AND DESIGNS (EXTENSION OF TIME) BILL—
See "Indian —" under "BILL".

PATRO, HON. SIE A. P.—
General Discussion of the General Budget. 196-200.

General Discussion of the Railway Budget. 98-102.

Motion for Adjournment re evacuees from Burma. 336.

Resolution re—

An Indian Defence Member. 152-54.

Appointment of Indians in the Indian Corps of Engineers, etc. 442-43.

Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 256.

PENAL CODE (AMENDMENT) BILL—
See "Indian —" under "BILL".

PENALTY (IES)—
Question re—

Delegation of power to Commissioners of Income-tax to impose — on Income-tax Officers. 68-69.

Number of cases in which — under the Income-tax Act, 1922, were imposed in the Bihar and Orissa Circle and revenue derived therefrom. 282.
 Procedure for the imposition of — on Government servants. 68.

PENANG—
 See "EVACUATION".

PERSONAL ACCOUNTS—
 Question re number of cases in which deposits in — were assessed as undisclosed profits and revenue derived therefrom in the Bihar and Orissa Circle. 282.

PETITIONS, COMMITTEE ON—
 Constitution of the —. 33.

PETROL—
 Question re effect of the rationing of — on transport services. 494-95, 495.

PHOTOGRAPHS—
 Question re — and films of operations of war. 496.

PIETERMARITZBURG—
 See "ILL-TREATMENT".

POLITICAL PRISONERS—
 Question re Tribunals for reviewing cases of —. 135.

PORT TRUST—
 See "KARACHI —".

POSTAL RATES—
 Question re increase in — on letters and telegrams. 489.

POST OFFICE, SHAHDARA-DELHI—
 Question re installation of a public telephone call office at the —. 89.

POST-WAR POLICY—
 Question re — in regard to Indian shipping. 51-52.

POWER ALCOHOL—
 Question re —. 142.

PRESIDENT, HON. THE—
 Resolution re visit of Their Excellencies Generalissimo and Madame Chiang Kai-Shek. 1, 4-5.

PRISONERS—
 See "POLITICAL —".

PRISONERS OF WAR—
 Question re —. 497.
 Number of Italian —. 492.
 Number of — in India. 296.
 —. 141.

PROFESSIONS TAX LIMITATION BILL—
 See "—" under "BILL".

PROMOTIONS—
 Question re annual review by Income-tax Commissioners of — held up by efficiency bar. 90-91.

PROPAGANDA—
 See "JAPANESE —".

PROPERTIES—
 See "REAL AND INDUSTRIAL —".

PROTECTIVE DUTIES CONTINUATION BILL—
 See "—" under "BILL".

PROVINCIAL GOVERNMENTS—
 Question re issue of directions to — in the matter of employment of women in public services. 276.

PUBLICITY ADVISORY COMMITTEE—
 Question re —. 500-01.

PUBLIC SERVICES—
 Question re—
 Employment of women in — by the Madras Government. 276.
 Issue of directions to Provincial Governments in the matter of employment of women in —. 276.

PUBLIC TELEPHONE CALL OFFICE—
 Question re installation of a — at the Post Office, Shahdara-Delhi. 89.

Q

QUARANTINE RESTRICTIONS—
 Question re — at Mandapam Camp. 135.

QUARTERS—
 Question re number of — built for members of the Central Legislature. 487.

R

RACIAL DISCRIMINATION—
 Question re—
 — in evacuation arrangements from Hong Kong. 497.
 — in evacuation arrangements from Penang. 248-49, 298.
 — in evacuation arrangements in and from Malaya. 490-91.

RAGHAVENDRA RAO, HON. MR. E.—
 Motion for election of two non-official members to the Standing Committee for the Civil Defence Department. 353.
 Resolution re Standing Committee for the Civil Defence Department. 312, 315, 316.

RAILWAY(S)—
 East Indian —
 Question re—
 Ballabhdas Eshwardas, catering contractor, N. W. R. and —. 57, 58, 59, 60, 61, 88-89.
 Extension of service to the General Manager, E. I. R. 89.
 Miscellaneous—
 Question re procedure of enquiry into complaints in respect of catering on —. 62-63.
 North Western —
 Question re—
 Ballabhdas Eshwardas, catering contractor, — and E. I. R. 57, 58, 59, 60, 61, 88-89.
 Report on catering on the — by the Local Advisory Committee. 61.

RAILWAY BUDGET—
 General discussion of the — for 1942-43. 98-134.
 Message from His Excellency the Governor General appointing days for the presentation and general discussion of the —. 33.
 Presentation of the — for 1942-43. 38-44.

RAILWAY LINES—
 Question re length of — dismantled for purposes of the war. 275.

RAILWAY OFFICERS—
 Question re—
 Extensions of service granted to —. 278-81.
 Terms for retired —, etc., temporarily re-employed during the war. 62.
 See "RETIRED —".

RAILWAY PASSES—
 Question re —. 298-99.

RAILWAYS, CENTRAL ADVISORY COUNCIL FOR—
 Motion for election. 285.
 Election of members. 321.

RAILWAYS (LOCAL AUTHORITIES TAXATION) BILL—
 See "—" under "BILL".

RAISMAN, HON. SIR JEREMY—
 General Discussion of the General Budget. 231, 232, 233-39.

RAJA OF SARAWAK—
 Question re statement by the — on British military policy in Malaya. 65-66.

RAM SARAN DAS, HON. RAI BAHADUR LALA—
 Election of the — to the Standing Committee for Roads, 1942-43. 321.
 Election of the — to the Standing Committee for the Labour Department. 501.

Indian Finance Bill—
 Motion to consider. 390, 421-22.
 Question (supplementary) re enlistment of Afridis in the Indian Army. 52-54.

Resolution re—
 An Indian Defence Member. 157, 159.
 Appointment of Indians in the Indian Corps of Engineers, etc. 327-28.
 Subsidies to flying clubs. 301-02, 305, 308-09, 311.

RATIONING—

Question re—
 Effect of the — of petrol on transport services. 494-95, 495.
 — of supplies. 485-86.

REAL AND INDUSTRIAL PROPERTIES—

Question re War risk insurance of —. 143.

RECEPTION AREAS—

Question re setting up of evacuation and —. 497.

RECORDS—
 See "GOVERNMENT —".

RECRUITMENT—

Question re—
 Area of — assigned to the Calcutta Customs House. 495-96.
 Eligibility of Indian States subjects for — to the Indian Army. 296.
 — to the R. A. M. C. 296.

RELIEF—

Question re — to cotton cultivators. 96-97, 144.

RESOLUTION re—

Appointment of Indians in the Indian Corps of Engineers, etc., 322-29, 440-47.
 Cantonments. Inquiry into proprietary rights of land-owners in —, etc. 469-82.
 Civil Defence Department. Standing Committee for the —. 311-16.
 Contempt of Court. Examination of the law of —. 454-69.
 Eastern Group Supply Council. 316-20.
 Examination of the law of Contempt of Court. 454-69.
 Flying clubs. Subsidies to —. 301-11.
 Hindi and Urdu books. Supply of — to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 250-57.
 Hindi Sahitya Sammelan. Supply of Hindi and Urdu books to the — and the Anjuman Tarraqi-i-Urdu. 250-57.
 Home Guard. Formation of a —. 259-68.

Horses. Disposal of — unfit for military service. 249-50.
 Indian Corps of Engineers. Appointment of Indians in the —, etc. 322-29, 440-47.
 Indian Defence Member. An —. 145-76.
 Indians. Appointment of — in the Indian Corps of Engineers, etc. 322-29, 440-47.
 Inquiry into proprietary rights of land owners in cantonments, etc. 469-82.
 Land owners. Inquiry into proprietary rights of — in cantonments, etc. 469-82.
 Law of Contempt of Court. Examination of the —. 454-69.
 Manufacture of war materials. 469, 506-22.
 Progress of the war. 176-77.
 Subsidies to flying clubs. 301-11.
 Tarraqi-i-Urdu. Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the —. 250-57.
 Urdu and Hindi books. Supply of — to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 250-57.
 Visit of Their Excellencies Generalissimo and Madame Chiang Kai-Shek. 1-5.
 War materials. Manufacture of —. 469, 506-22.
 War. Progress of the —. 176-77.

REVENUE—

Question re—
 Number of cases in which deposits in personal accounts were assessed as undisclosed profits and — derived therefrom in the Bihar and Orissa Circle. 282.
 Number of cases in which penalty under the Income-tax Act, 1922, were imposed in the Bihar and Orissa Circle and — derived therefrom. 282.
 — derived from the Excess Profits Tax. 143-44.

RIFLES—
 Question re — for the Bhonsla Military School, Nasik. 300.

RIGHT OF APPEAL—

Question re—
 — by Income-tax Officers against order passed by the Commissioners of Income-tax. 69.
 Rules and Orders applicable to — by Income-tax Officers. 66, 67.

ROADS, STANDING COMMITTEE FOR, 1942-43—

Motion for election. 286.
 Election of members. 321.

ROY, HON. MR. S. N.—

Motion for election of six non-official members to the Central Advisory Council for Railways. 285.
 Motion for election of three members to the Standing Committee for Roads, 1942-43. 286.

Motion for election of three non-official members to the Standing Committee for the Department of Communications. 286.
 Oath of Office. 135.

Resolution re subsidies to flying clubs. 302-05, 306, 308, 309-11.

R. A. M. C.—

Question re recruitment to the —. 296.

RULES—

- Question re—
— made under section 241 of the Government of India, Act. 91.
— regulating the conduct of members of the Central Services, Class II. 67.
Statement (laid on the table) re — framed under the Motor Vehicles Act, 1939. 29-30.

RULES AND ORDERS—

- Question re — applicable to right of appeal by Income-tax Officers. 66, 67.
RURAL DEVELOPMENT—
Statement (laid on the table) re report on the progress of the schemes financed from the grants for — for the period 1st December, 1939 to 31st March, 1941. 285.

S

SAILORS—

- Question re disturbances caused in Bombay by — and soldiers. 247.

SALT—

- Question re leases for the manufacture of —. 493-94.

SAPRU, HON. MR. P. N.—

- Cantonments (Amendment) Bill—
Motion to consider. 450-52.
Election of the — to the Standing Committee for the Civil Defence Department. 501.
Election of the — to the Standing Committee for the Department of Supply. 321.
General Discussion of the General Budget. 220-25, 230.
General Discussion of the Railway Budget. 120-24, 133.

Indian Companies (Amendment) Bill—

- Motion to consider. 258.
Indian Finance Bill—
Motion to consider. 379, 384, 386-97, 412, 413.

Motion for Adjournment re evacuees from Burma. 301, 332, 336-38.

Motion for election of four non-official members to serve on the Standing Committee on Emigration. 74.

Nomination of the — as a member of the Committee on Petitions. 33.

Nomination of the — to the Panel of Chairmen. 33.

Notice of Motion for Adjournment re Australians, etc., in the Indian Army. 530.

Question (supplementary) re—

- Arrest and detention of Mr. Sarat Chandra Bose. 86-87.

Ballabhdas Eshwardas, catering contractor, N. W. R. and E. I. R. 58, 59.

British subjects in enemy occupied territories in the Far East. 93-94.

Chairmanship of the Karachi Port Trust. 523-24.

Move of Government to Simla. 52.

Names of newspapers the export of which has been banned. 47-49.

Number of emergency commissioned officers in the Indian Army who come from the Dominions, etc. 525-26.

Representation of India on the Pacific War Council. 94.

War Transport Board. 56.

Resolution re—

- An Indian Defence Member. 160-63.
Appointment of Indians in the Indian Corps of Engineers, etc. 328-29.
Examination of the law of Contempt of Court. 461-63.

Formation of a Home Guard. 264-66.

Inquiry into proprietary rights of landowners in cantonments, etc. 469-72, 478-81, 482.

Progress of the war. 176.

Standing Committee for the Civil Defence Department. 311-16.

Supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 250-53, 254, 256.

SCHOOLS—

- Information (laid on the table) re policy followed by the E. I. R. in filling appointments in —. 30.

SCORCHED EARTH POLICY—

- Question re —. 491-92.

SECRETARY OF STATE'S OFFICERS—

- Question re rights of members of the Central Services vis-a-vis the — in the matter of securing redress of grievances. 91-92.

SECRET SESSION—

- Discussion of the war situation in —. 70-71.

SHIPPING—

- See "INDIAN —".

SILVER—

- Question re — stocks. 527.

SIMLA—

- See "MOVE".

SIMLA EXODUS, 1941—

- Information (laid on the table) re expenditure involved in the —. 501.

SIND—

- See "AUTOMOBILE ASSEMBLY PLANT".

SINGAPORE—

- See "INDIAN VOLUNTEER UNIT".

SINHA, HON. KUMAR NRIPENDRA NARAYAN—

- Election of the — to the Central Advisory Council for Railways. 321.

SOBHA SINGH, SARDAR BAHADUR—

- Election of the — to the Central Advisory Council for Railways. 321.

Indian Companies (Amendment) Bill—

- Motion to consider. 257-58.

Resolution re an Indian Defence Member. 165-66.

SOLDIERS—

Question re—

- Disturbances caused in Bombay by sailors and —. 247.

Looting of oranges by — at Katol. 497-98.

Sending of —, who are under 20 years of age, overseas. 497.

See "BRITISH —".

SOVIET AID COMMITTEES—

- Question re banning of anti-Fascist meetings and meetings organised by local —. 300.

SPECIAL HAJ INQUIRY—

- Statement (laid on the table) re Report of the — by Mr. J. A. Rahim, I.C.S. 285.

SPECIAL INCOME-TAX CIRCLE—

- Question re number of appeals from Orissa recalled to Patna by the —. 284.

STANDARD CLOTH—

- Question re manufacture of —. 95-96.

STANDING COMMITTEE FOR THE CIVIL DEFENCE

DEPARTMENT—

- Motion for election. 353.
Election of members. 501.
Resolution re —. 311-16.

STANDING COMMITTEE FOR THE DEPARTMENT OF

COMMERCE—

- Motion for election. 286.
Election of members. 321.

STANDING COMMITTEE FOR THE DEPARTMENT OF

COMMUNICATIONS—

- Motion for election. 286.
Election of members. 322.

STANDING COMMITTEE FOR THE DEPARTMENT OF

SUPPLY—

- Motion for election. 286.
Election of members. 321.

STANDING COMMITTEE FOR THE LABOUR DEPARTMENT—

- Motion for election. 353.
Election of members. 501.

STANDING COMMITTEE ON EMIGRATION—

- Motion for election. 71-78.
Election of members. 97.

STANDING FINANCE COMMITTEE REGULATIONS—

- Statements, etc. (laid on the table) re amendment by the Imperial Council of Agricultural Research to their —. 32.

STATEMENT—

- Question re — by the Raja of Sarawak on British military policy in Malaya. 65-66.

STATEMENT(S) (LAID ON THE TABLE) re—

- Amendment by the Imperial Council of Agricultural Research to their Standing Finance Committee Regulations. 32.

Amendments in notification prohibiting the emigration of unskilled labourers from British India to Burma. 69.

Amendments to the Delhi, British Baluchistan Ajmer-Merwara and Coorg Motor Vehicles Rules, 1940. 11-29, 195.

Commercial Treaties and Notes affecting India. 352.

Declarations and Orders of Exemption under section 6 of the Registration of Foreigners Act, 1939. 9-11, 195, 351, 528.

Further amendments in the Declarations published with the Home Department notification No. 21/32/39-Political, dated the 21st June, 1939. 11.

Further amendments in the Insurance Rules, 1939. 31.

Report of the Special Haj Inquiry by Mr. J. A. Rahim, I.C.S. 285.

Report on the progress of the schemes financed from the grants for Rural Development for the period 1st December 1939 to 31st March, 1941. 285.

Rules framed under the Motor Vehicles Act, 1939. 29-30.

STATEMENT OF BUSINESS—

- by the Hon. the leader of the House. 45, 269, 293, 329, 522.

STATE RAILWAYS—

- Question re call for volunteers from — for the Mechanical Transport Service. 350-51.

STATES SUBJECTS—

- See "INDIAN —".

STENOGRAPHER—

- See "LADY —".

STRAITS DOLLAR NOTES—

- Question re restriction on the purchase of —. 92-93.

SUBSIDIES—

- Resolution re to flying clubs. 391-11.

SUGARCANE—

- Information (laid on the table) re improvement in yield of — as a result of introduction of improved varieties of cane. 70.

SULPHUR—

- Question re — deposits in Baluchistan. 300.

SULTAN AHMED, HON. SIR—

- Resolution re examination of the law of Contempt of Court. 459, 464-67, 468.

SUPPLY DEPARTMENT—

- Information (laid on the table) re number of mechanical engineers in the —. 30-31.

Question re—

- Value of purchases made by the —. 246.

SUPPLY DEPARTMENT, STANDING COMMITTEE FOR

- Motion for election. 286.

- Election of members. 321.

T

TAXATION—

- Question re — of an assessee in the Cuttack Circle. 283.

TAXES—

- Question re postponement of the collection of — on income that has accrued or arisen in Burma, etc. 493.

TEAR SMOKE—

- Question re use of — in Delhi. 85-86.

TELEGRAMS—

- Question re increase in postal rates on letters and —. 489.

TOLLS (ARMY) AMENDMENT BILL—

- See "INDIAN —" under "BILL".

TRADE MARKS (AMENDMENT) BILL—

- See "—" under "BILL".

TRADERS—

- See "INDIAN —".

TRAINING—

- Question re—
Number of Indians and Europeans undergoing — as parachutists. 299.

- Number of Indians and Europeans undergoing — at Anti-aircraft Training Centres, etc. 299.

- Proportion of Indian officers under — at the Fighting Vehicles School, Ahmednagar. 297-98.

See "MILITARY —".

- Question re effect of the rationing of petrol on —. 494-95, 495.

TRIBESMEN—

- Question re census figures of — of Assam. 51.

TRIBUNALS—

- Question re — for reviewing cases of political prisoners. 135-36.

TRIVEDI, HON. MR. C. M.—
Motor Vehicles (Amendment) Bill—
Motion to consider. 528-29.
Motion to pass. 529.
Oath of Office. 349.

TROOPS—
Question re misconduct of — in Bombay. 488.

See "AUSTRALIANS".
See "BRITISH —".
See "DOMINION —".
See "INDIAN —".

TUBERCULOSIS ASSOCIATION OF INDIA, CENTRAL COMMITTEE OF THE—

Motion for election. 353.
Election of one member. 501.

TYSON, HON. MR. J. D.—
Agricultural Produce (Grading and Marking) Amendment Bill—

Motion to consider. 437.
Motion to pass. 437.

Motion for the election of one member to the Central Committee of the Tuberculosis Association of India. 353.

Oath of Office. 1.

Resolution re supply of Hindi and Urdu books to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 254-55, 256 257.

U

UNITED PROVINCES—

See "INCOME-TAX OFFICERS".

U. S. A.—

See "WAR SUPPLIES".

URDU AND HINDI BOOKS—

Resolution re supply of — to the Hindi Sahitya Sammelan and the Anjuman Tarraqi-i-Urdu. 250-57.

V

VISIT—

Resolution re — of Their Excellencies Generalissimo and Madame Chiang Kai-Shek. 1-5.

VOLUNTEERS—

Question re call for — from State Railways for the Mechanical Transport Service. 350-51.

VOLUNTEER UNIT—

See "INDIAN —".

W

WAGONS—

Question re—
Despatch of locomotives, —, etc., overseas. 488-89.

Number of locomotives and — sent out of India since the beginning of the war. 241.

WAR—

Discussion of the — situation in secret session. 70-71.

Question re—

Contributions made by Provinces, etc., in aid of the —. 137-38, 138.

Number of people who have vacated Calcutta, etc., since the — with Japan. 241.

Resolution re progress of the —. 176-77.

WAR CABINET—

See "EMPIRE —".

WAR MATERIALS—

Resolution re Manufacture of —. 469. 506-22.

WAR RISK INSURANCE—

Question re — of real and industrial properties. 143.

WAR RISKS INSURANCE SCHEMES—

Question re —. 55-56.

WAR SCHOOL—

See "HIGHER —".

WAR SUPPLIES—

Question re — received from the U. S. A. 243.

WAR TRANSPORT BOARD—

Question re —. 56.

WEEKLY HOLIDAYS BILL—

See "—" under "BILL".

WELCOME—

— to His Excellency the Commander-in-Chief. 5-6.

WILLIAMS, HON. MR. A. DEC—

Motion for election of three non-official members to the Standing Committee for the Department of Supply. 286.

Question re appointment of Indians in the Indian Corps of Engineers, etc. 323, 329.

Resolution re Eastern Group Supply Council. 318-20.

WILSON, HON. SIR LEONARD—

Oath of Office. 1.

Presentation of the Railway Budget, 1942-43. 38-44.

Question re—

Employment of — in public services by the Madras Government. 276.

Employment of — in the Judicial Department of the Madras Government. 276.

Issue of directions to Provincial Governments in the matter of employment of — in public services. 276.

WORKMEN'S COMPENSATION (AMENDMENT)

BILL—

See "—" under "BILL".

Y

YUVRAJ DUTTA SINGH, HON. RAJA—

Question re—

Acquisition of land and buildings in Dehra Dun, etc. 487.

Advertisement for a lady stenographer by Headquarters, Eastern Command. 242.

Affray at the Bristol Hotel, Calcutta. 64-65.

Allocation of expenditure on air raid precautions between the Centre and the Provinces. 136.

American Technical Mission. 489-90.

Arrest and detention of Mr. Sarat Chandra Bose. 86-87.

Assault by British soldiers on labourers in Cawnpore Cantonment. 65.

Banning of anti-Fascist meetings and meetings organised by Local Soviet Aid Committees. 300.

Broadcast of Indian news from Berlin before publication in newspapers in India. 88.

Census figures of tribesmen of Assam. 51.
China National Aviation Corporation. 350.

Correctness of the census figures in Assam. 50-51.

Despatch of locomotives, wagons, etc., overseas. 488-89.

Eligibility of Indian States subjects for recruitment to the Indian Army. 296.

Enlistment of Afridis in the Indian Army. 52-54.

Establishment of a Broadcasting Station, Patna. 85.

Fakir-jo-Goth incident. 63-64.

Formation of an Indian Volunteer Unit in Singapore. 298.

Governments for whom coinage orders were executed. 349.

Governments for whom orders were executed by the Currency Note Press. 350.

Hindustan Aircraft Factory. 49.

Immigration restrictions on the entry of Indians into Aden. 274-75.

Increase in postal rates on letters and telegrams. 489.

Indian traders in Garhwal, etc. 271-73.

Indians in Burma. 274.

Indian Troops. 6-9.

Indians in Hong Kong. 273-74.

Indo-Nepal aerial ropeway. 137.

Khan Sahib S. A. Ashraf, Assistant Director, Supply Department. 492.

Length of railway lines dismantled for purposes of the war. 275.

Military training at Benares Hindu University. 55.

Military training in educational institutions in Bihar. 49-50.

Misconduct of troops in Bombay. 488.

Move of Government to Simla. 52, 136.

Mr. William Bullitt. 273.

Names of newspapers the export of which has been banned. 47-49.

Number of Indians and Europeans in the Higher War School. 289.

Number of Indians and Europeans undergoing training as parachutists. 299.

Number of Indians and Europeans undergoing training at Anti-aircraft Training Centres, etc. 299.

Number of Italian prisoners of war. 492.

Number of quarters built for members of the Central Legislature. 487.

Postponement of the collection of taxes on income that has accrued or arisen in Burma, etc. 493.

Post-war policy in regard to Indian shipping. 51-52.

Quarantine restrictions at Mandapam Camp. 135.

Racial discrimination in evacuation arrangements from Penang. 298.

Racial discrimination in evacuation arrangements in and from Malaya. 490-91.

Railway passes. 298-99.

Rationing of supplies. 485-86.

Recall of Indian troops serving overseas. 243.

Recommendations made by the Ministry of Supply Mission. 243.

Recruitment to the R. A. M. C. 296.

Relaxation of the operation of the Indian Arms Act. 487-88.

Representation of India on the Empire War Cabinet. 87-88, 136.

Rifles for the Bhonsla Military School, Nasik. 300.

Scorched earth policy. 491-92.

Session of the Hindu Mahasabha at Bhagalpur. 88.

Steps taken to increase the production of foodgrains and fodder. 488.

Sulphur deposits in Baluchistan. 300.

Supply of foodstuffs to Ceylon. 490.

Supply of heavy equipment from His Majesty's Government. 299-300.

Tribunals for reviewing cases of political prisoners. 135.

Use of tear smoke in Delhi. 85-86.

Value of purchases made by the Supply Department. 246.

War supplies received from the U. S. A. 243.